

## DEPARTMENT OF TRANSPORTATION

### INFORMATION COLLECTION SUPPORTING STATEMENT Multimodal Project Discretionary Grant (MPDG)

#### INTRODUCTION

This request to the Office of Management and Budget’s (OMB) is for three-year approved clearance for the information collection entitled, “Multimodal Project Discretionary Grants (MPDG)”. This includes three grant programs: the “National Infrastructure Project Assistance grants program (Mega),” the “Nationally Significant Multimodal Freight and Highways Projects grants program (INFRA)”, and the “Rural Surface Transportation Grant program (Rural)”.

The Office of the Secretary (OST) within the Department of Transportation (DOT) provides financial assistance for surface transportation infrastructure projects – including highway and bridge, intercity passenger rail, railway-highway grade and separation, wildlife crossing, public transportation, marine highway, and freight and multimodal projects, or groups of such projects, of national or regional significance, as well as to projects to improve and expand the surface transportation infrastructure in rural areas. Infrastructure Investment and Jobs Act (Pub. L. 117-58, November 15, 2021) (Bipartisan Infrastructure Law, or BIL) provided funds to the Department across three programs to invest in projects of national or regional significance – the National Infrastructure Project Assistance grants program, found under 49 U.S.C. § 6701 (“Mega”), the Nationally Significant Multimodal Freight and Highways Projects grants program, found at 23 U.S.C. § 117 (Infrastructure for Rebuilding America or “INFRA”), and the Rural Surface Transportation Grant program, found at 23 U.S.C. § 173 (“Rural”). To help streamline the process for applicants, the Department has combined the applications for the Mega, INFRA, and Rural programs into the MPDG common application.

#### 1. CIRCUMSTANCES THAT MAKE THE COLLECTION NECESSARY.

The collection of information is necessary for this program to solicit applications for grant funds and monitor project financial conditions and project progress.

OST requests information from applicants in three stages of program activity: 1) the application stage, 2) the funding agreement stage, 3) and the project monitoring stage. OST proposes information collection to enter funding agreements for outstanding FY 2019, FY 2020, FY 2021, and FY 2022 awards, and to monitor projects obligated projects from all cycles. OST seeks a three-year clearance for information collection under the Multimodal Project Discretionary Grants for the FY2023-FY2025 cycles, which would have similar application and management processes. Based on current and expected funding levels, OST estimates that a 3-year clearance will cover an additional 1500 applications and 135 grants.

The relevant statutory authorizations attached hereto as Exhibit A. A summary of the application requirements as they appear in the fiscal year 2023 Notice of Funding Opportunity (NOFO) for MDPG is attached as Exhibit B, as well as General Reporting Requirements outlined in Exhibit C.

The information and reporting requirements pertaining to this Supporting Statement are outlined in the three stages of the program:

### Application Stage

To be considered to receive any MPDG, a project sponsor must submit an application to DOT containing a project narrative, as detailed in the NOFO. The project narrative should include the information necessary for the Department to determine that the project satisfies statutory eligibility requirements.

### Funding Agreement Stage

DOT enters a funding agreement with each recipient. In that agreement, the recipient describes the project that DOT agreed to fund, which is typically the project that was described in the MPDG application or a reduced-scope version of that project. The agreement also includes project schedule milestones, budget, and project related climate change and equity planning and policies.

### Project Monitoring Stage

OST requires each recipient to submit quarterly reports during the project to ensure the proper and timely expenditure of Federal funds under the grant.

The requirements comply with the 2 C.F.R. Part 200 and are restated in the funding agreement. During the project monitoring stage, the grantee will complete Quarterly Progress Reports to allow DOT to monitor the project budget and schedule. A more detailed description of the reporting requirements in standard the program's terms and conditions is attached hereto as Exhibit C.

## 2. HOW, BY WHOM, AND FOR WHAT PURPOSE THE INFORMATION IS TO BE USED.

The information collected will be used by OST and the DOT Operating Administrations that administer the grants.

OST will use the information collected in the application phase to evaluate proposals, make award decisions, evaluate the program and process, and debriefs for unsuccessful applicants.

OST will use the information collected in the project monitoring phase to monitor the project budget and schedule. Much of the information will be produced and collected through standard project management practices implemented by recipients, so the burden of Government information collection for project monitoring is minimal.

3. EXTENT OF AUTOMATED INFORMATION COLLECTION:

The Department will receive applications electronically via grants.gov from applicants and monitoring reports electronically via email or websites from awardees. OST has found that delivery of reports electronically is the most reliable way to collect information and, to the extent possible, intends to use the existing grant administration systems to collect the information covered under this request. In order to minimize the burden on applicants, OMB approved standard forms are being used to collect information where possible. Such standard forms include the Application for Federal Assistance (SF-424), available online at [grants.gov/forms/forms-repository/sf-424-individual-family](https://grants.gov/forms/forms-repository/sf-424-individual-family) and the post-award Federal Financial Reports form (SF-425), available online at [grants.gov/forms/forms-repository/post-award-reporting-forms](https://grants.gov/forms/forms-repository/post-award-reporting-forms).

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION.

The information collected from grantees is project specific and the information is not available other than from the grantees. The information will be used to solicit projects for award and monitor projects on a quarterly basis.

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

Grantees include State and local governments, including U.S. territories, tribal governments, transit agencies, port authorities, metropolitan planning organizations (MPOs), other political subdivisions of State or local governments. Additionally, Amtrak or a Federal land management agency may apply in partnership with one of the previously mentioned entities. No grantees are business organizations, small or otherwise.

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.

If the information requested in the reports is not collected, the Department will not be able to evaluate applications or monitor awards in accordance with the authorizing statute and 2 C.F.R. Part 200.

If these and other reports were required less frequently, additional site visits by Department staff may be required to ensure compliance with program objectives.

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

If approved, all information collection will be consistent with the guidelines in 5 CFR 1320.6.

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

In this and other discretionary infrastructure funding programs, OST has worked with grantees on reporting requirements in shaping its reporting system and offers an opportunity for all grantees to comment on its methodologies.

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, other than remuneration to successful Mega, INFRA, and Rural grantees. The remuneration to grantees are in the form of reimbursements up to the amount of the award as negotiated in the funding agreement.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED RESPONDENTS.

The Section H of the NOFO provides instructions to applicants who seek to protect confidential business information from disclosure under FOIA. Except as described in those notices, the program does not provide assurances of confidentiality for the information collected.

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.

	<u># of Annual Requirements</u>	<u>Burden Hours Per Submission/Award</u>	<u>Total Burden Hours</u>
<b><u>NEW APPLICANTS/AWARDEES</u></b>			
<i>Project Information Form</i>	500	1	500
<i>SF-424</i>	500	1	500
<i>SF-424C</i>	500	1	500
<i>Application narrative and supporting documentation</i>	500	97	48,500
<b>Total Application Hours</b>	500	100	50,000
<b>Funding Agreement Stage</b>	45	6	270
<b><u>AWARD RECIPIENTS</u></b>			
<b>Quarterly Progress Reports</b>	480	5	2,400
<b>Recipient Total Annual Burden</b>	480	5	2,400
<b>Grand Total</b>	<b>1,025</b>	<b>111</b>	<b>52,670</b>

All burden hour estimates are based on: a comprehensive review of all the requirements associated with the MPDG program, discussions with appropriate operating administration staff, and analysis of other Department programs. The estimate of the cost to respondents by stage of the program follows:

Although various personnel are involved in the application, funding agreement and project monitoring activities, the average salary of the individuals involved is estimated to be \$44.29 per hour for all stages, based on a generalized grant application, agreement, and monitoring hourly work plan.<sup>1</sup>

### Application Stage

OST estimates that it takes approximately 100 person-hours to compile an application package for a MPDG application. Since OST expects to receive 500 applications per funding round, the total hours required are estimated to be 50,000 hours

Generalized MPDG Grant Hourly Work Plan		BLS Data (May 2022)			Application Hours	Agreement Hours	Quarterly Reporting	Total Wages
Occupation Code	Occupation Title	Median hourly	Mean hourly	Annual mean				
11-9041	Architectural and Engineering Managers	\$76.88	\$78.52	\$163,310	2	-	1	\$ 235.56
13-1082	Project Management Specialists	\$45.85	\$48.85	\$101,610	16	1	2	\$ 928.15
13-2031	Budget Analysts	\$39.55	\$42.16	\$87,680	4	-	-	\$ 168.64
15-1231	Computer Network Support Specialists	\$32.72	\$36.57	\$76,060	1	-	-	\$ 36.57
15-1232	Computer User Support Specialists	\$27.83	\$29.61	\$61,580	2	-	-	\$ 59.22
17-2051	Civil Engineers	\$43.24	\$46.82	\$97,380	4	1	2	\$ 327.74
19-3011	Economists	\$54.78	\$61.63	\$128,180	24	-	-	\$ 1,479.12
19-3051	Urban and Regional Planners	\$38.24	\$39.63	\$82,420	12	1	-	\$ 515.19
19-4042	Environmental Science and Protection Technicians, Including Health	\$23.26	\$25.95	\$53,970	12	1	-	\$ 337.35
23-1011	Lawyers	\$65.26	\$78.74	\$163,770	1	2	-	\$ 236.22
27-1024	Graphic Designers	\$27.88	\$31.01	\$64,500	4	-	-	\$ 124.04
27-3042	Technical Writers	\$38.44	\$41.71	\$86,760	16	-	-	\$ 667.36
43-9199	Office and Administrative Support Workers, All Other	\$18.59	\$20.75	\$43,150	2	-	-	\$ 41.50
					100	6	5	\$ 5,156.66
					Average Hourly Wage			\$ 46.46

(100 hours x 500 applications = 50,000 hours) on a one-time basis, per funding round. Therefore, the cost to the respondents is computed at \$2,322,820 (50,000 hours x \$46.46 = \$2,322,820).

### Funding Agreement Stage:

OST estimates that it takes approximately 6 person-hours to provide the information necessary for funding agreements. Based on previous rounds of FASTLANE/INFRA awards, OST estimates that there will likely be 45 funding agreements per additional funding round. The total hours required are estimated to be 270 (6 hours x 45 agreements = 270 hours) on a one-time basis, per funding round. The cost to the respondents is computed at \$12,543 (270 hours x \$46.46= \$12,543).

### Project Monitoring Stage:

<sup>1</sup>

OST estimates that it takes approximately 5 person-hours to develop and submit a quarterly progress report. Since OST expects to receive 480 quarterly project progress reports (120 previously awarded projects), the total hours are estimated to be 2,400 (5 hours x 480 reports = 2,400 hours). The cost to the respondents is computed at \$111,495 (2,400 hours x \$46.46 = \$103,141).

**The grand total annual cost to respondents for the application, funding agreement and project monitoring stages is \$2,446,858 (\$2,322,820 + \$12,543 + \$111,495)**

The average cost of a respondent awardee in the year of application and award is \$4,924 (106 hours x \$46.46 = \$4,924).

**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:

	<b># of Annual Requirements</b>	<b>Burden Hours Per Submission/Award</b>	<b>Total Burden Hours</b>
<b>Applications</b>	500	20	10,000
Funding Agreement	45	3	135
<b>Quarterly Progress Reports</b>	480	1	480
<b>Grand Total</b>	<b>1,025</b>	<b>24</b>	<b>10,615</b>

Application Stage:

OST will review the applications to assess project eligibility and merit and to provide information for the discretionary decision-making process prior to the award of any future grants.

OST estimates that the average grade level of the reviewers is GS-13/Step 1, paid at \$56.52 per hour. Five review teams review each application for an average of 4 hours each (cumulative time of multiple reviewers) in total, for a total of twenty hours. Since we expect to evaluate 500 applications, the cost to the federal Government is \$565,200 (20 hours x 500 applications = 10,000 hours. 10,000 hours x \$56.52 = \$565,200 per funding round).

Funding Agreement Stage:

Information will be requested from recipients to enter funding agreements under which the MPDG funds will be distributed.

OST estimates that the average grade level of the reviewers is GS-13/step 1, paid at \$56.52 per hour. Since we expect to negotiate 45 grant agreements and for one employee to spend about three hours requesting the information and using it to draft the grant agreements, the cost to the federal Government is \$7,630 (3 hours x 45 applications = 135 hours x \$56.52 = \$7,630), per funding round.

Project Monitoring Stage:

Individuals managing projects throughout OST and the DOT Operating Administrations vary from GS-9 to GS-15; however, in looking at the averages it can take a GS-13/step 1 (average salary, \$56.52 per hour) about 1 hour per report to review it. OST expects 120 previously awarded projects to submit 4 quarterly reports per year, or 480 submissions, annually. The cost to the federal Government is \$27,130 (480 hours x \$56.52 = \$27,168), annually.

**The grand total annual cost to the Federal Government is \$599,960 (10,615 hours x \$56.52/hour= \$599,960).**

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

This is a new information collection.

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

None.

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

OST anticipates displaying the expiration date for OMB approval.

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

No exceptions are stated.

## EXHIBIT A

### **§6701. National infrastructure project assistance**

(a) Definitions.—In this section:

(1) Department.—The term "Department" means the Department of Transportation.

(2) Eligible entity.—The term "eligible entity" means—

(A) a State or a group of States;

(B) a metropolitan planning organization;

(C) a unit of local government;

(D) a political subdivision of a State;

(E) a special purpose district or public authority with a transportation function, including a port authority;

(F) a Tribal government or a consortium of Tribal governments;

(G) a partnership between Amtrak and 1 or more entities described in subparagraphs

(A) through (F); and

(H) a group of entities described in any of subparagraphs (A) through (G).

(3) Program.—The term "program" means the program established by subsection (b).

(4) Secretary.—The term "Secretary" means the Secretary of Transportation.

(5) State.—The term "State" means—

(A) any of the several States;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico;

(D) the Commonwealth of the Northern Mariana Islands;

(E) the United States Virgin Islands;

(F) Guam;

(G) American Samoa; and

(H) any other territory or possession of the United States.

(b) Establishment.—There is established a program under which the Secretary shall provide to eligible entities grants, on a competitive basis pursuant to single-year or multiyear grant agreements, for projects described in subsection (d).

(c) Applications.—

(1) In general.—To be eligible for a grant under the program, an eligible entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary determines to be appropriate.

(2) Plan for data collection.—An application under paragraph (1) shall include a plan for data collection and analysis described in subsection (g).

(d) Eligible Projects.—The Secretary may provide a grant under the program only for a project—

(1) that is—

(A) a highway or bridge project carried out on—

(i) the National Multimodal Freight Network established under section 70103;

(ii) the National Highway Freight Network established under section 167 of title 23; or

(iii) the National Highway System (as defined in section 101(a) of title 23);

(B) a freight intermodal (including public ports) or freight rail project that provides a public benefit;

(C) a railway-highway grade separation or elimination project;

- (D) an intercity passenger rail project;
- (E) a public transportation project that is—
  - (i) eligible for assistance under chapter 53; and
  - (ii) part of a project described in any of subparagraphs (A) through (D); or

(F) a grouping, combination, or program of interrelated, connected, or dependent projects of any of the projects described in subparagraphs (A) through (E); and

- (2) the eligible project costs of which are—
  - (A) reasonably anticipated to equal or exceed \$500,000,000; or
  - (B) for any project funded by the set-aside under subsection (m)(2)—
    - (i) more than \$100,000,000; but
    - (ii) less than \$500,000,000.

(e) Geographical Distribution.—In providing grants under this section, the Secretary shall ensure among grant recipients—

- (1) geographical diversity; and
- (2) a balance between rural and urban communities.

(f) Project Evaluation and Selection.—

(1) Requirements.—The Secretary may select a project described in subsection (d) to receive a grant under the program only if the Secretary determines that—

- (A) the project is likely to generate national or regional economic, mobility, or safety benefits;
- (B) the project is in need of significant Federal funding;
- (C) the project will be cost-effective;
- (D) with respect to related non-Federal financial commitments, 1 or more stable and dependable sources of funding and financing are available—
  - (i) to construct, operate, and maintain the project; and
  - (ii) to cover cost increases; and

(E) the applicant has, or will have, sufficient legal, financial, and technical capacity to carry out the project.

(2) Evaluation criteria.—In awarding a grant under the program, the Secretary shall evaluate—

- (A) the extent to which a project supports achieving a state of good repair for each existing asset to be improved by the project;
- (B) the level of benefits a project is expected to generate, including—
  - (i) the costs avoided by the prevention of closure or reduced use of the asset to be improved by the project;
  - (ii) reductions in maintenance costs over the life of the applicable asset;
  - (iii) safety benefits, including the reduction of serious injuries and fatalities and related costs;
  - (iv) improved person or freight throughput, including improved mobility and reliability;
- and
- (v) environmental benefits and health impacts, such as—
  - (I) reductions in greenhouse gas emissions;
  - (II) air quality benefits;
  - (III) preventing stormwater runoff that would be a detriment to aquatic species; and
  - (IV) improved infrastructure resilience;

(C) the benefits of the project, as compared to the costs of the project;  
(D) the number of persons or volume of freight, as applicable, supported by the project;  
and

(E) national and regional economic benefits of the project, including with respect to short- and long-term job access, growth, or creation.

(3) Additional considerations.—In selecting projects to receive grants under the program, the Secretary shall take into consideration—

(A) contributions to geographical diversity among grant recipients, including a balance between the needs of rural and urban communities;

(B) whether multiple States would benefit from a project;

(C) whether, and the degree to which, a project uses—

(i) construction materials or approaches that have—

(I) demonstrated reductions in greenhouse gas emissions; or

(II) reduced the need for maintenance of other projects; or

(ii) technologies that will allow for future connectivity and automation;

(D) whether a project would benefit—

(i) a historically disadvantaged community or population; or

(ii) an area of persistent poverty;

(E) whether a project benefits users of multiple modes of transportation, including—

(i) pedestrians;

(ii) bicyclists; and

(iii) users of nonvehicular rail and public transportation, including intercity and commuter rail; and

(F) whether a project improves connectivity between modes of transportation moving persons or goods nationally or regionally.

(4) Ratings.—

(A) In general.—In evaluating applications for a grant under the program, the Secretary shall assign the project proposed in the application a rating described in subparagraph (B), based on the information contained in the applicable notice published under paragraph (5).

(B) Ratings.—

(i) Highly recommended.—The Secretary shall assign a rating of "highly recommended" to projects that, in the determination of the Secretary—

(I) are exemplary projects of national or regional significance; and

(II) would provide significant public benefit, as determined based on the applicable criteria described in this subsection, if funded under the program.

(ii) Recommended.—The Secretary shall assign a rating of "recommended" to projects that, in the determination of the Secretary—

(I) are of national or regional significance; and

(II) would provide public benefit, as determined based on the applicable criteria described in this subsection, if funded under the program.

(iii) Not recommended.—The Secretary shall assign a rating of "not recommended" to projects that, in the determination of the Secretary, should not receive a grant under the program, based on the applicable criteria described in this subsection.

(C) Technical assistance.—

(i) In general.—On request of an eligible entity that submitted an application under subsection (c) for a project that is not selected to receive a grant under the program, the Secretary shall provide to the eligible entity technical assistance and briefings relating to the project.

(ii) Treatment.—Technical assistance provided under this subparagraph shall not be considered a guarantee of future selection of the applicable project under the program.

(5) Publication of project evaluation and selection criteria.—Not later than 90 days after the date of enactment of this chapter, the Secretary shall publish and make publicly available on the website of the Department a notice that contains a detailed explanation of—

(A) the method by which the Secretary will determine whether a project satisfies the applicable requirements described in paragraph (1);

(B) any additional ratings the Secretary may assign to determine the means by which a project addresses the selection criteria and additional considerations described in paragraphs (2) and (3); and

(C) the means by which the project requirements and ratings referred to in subparagraphs (A) and (B) will be used to assign an overall rating for the project under paragraph (4).

(6) Project selection priority.—In awarding grants under the program, the Secretary shall give priority to projects to which the Secretary has assigned a rating of "highly recommended" under paragraph (4)(B)(i).

(g) Data Collection and Analysis.—

(1) Plan.—

(A) In general.—An eligible entity seeking a grant under the program shall submit to the Secretary, together with the grant application, a plan for the collection and analysis of data to identify in accordance with the framework established under paragraph (2)—

(i) the impacts of the project; and

(ii) the accuracy of any forecast prepared during the development phase of the project and included in the grant application.

(B) Contents.—A plan under subparagraph (A) shall include—

(i) an approach to measuring—

(I) the criteria described in subsection (f)(2); and

(II) if applicable, the additional requirements described in subsection (f)(3);

(ii) an approach for analyzing the consistency of predicted project characteristics with actual outcomes; and

(iii) any other elements that the Secretary determines to be necessary.

(2) Framework.—The Secretary may publish a standardized framework for the contents of the plans under paragraph (1), which may include, as appropriate—

(A) standardized forecasting and measurement approaches;

(B) data storage system requirements; and

(C) any other requirements the Secretary determines to be necessary to carry out this section.

(3) Multiyear grant agreements.—The Secretary shall require an eligible entity, as a condition of receiving funding pursuant to a multiyear grant agreement under the program, to collect additional data to measure the impacts of the project and to accurately track improvements made by the project, in accordance with a plan described in paragraph (1).

(4) Reports.—

(A) Project baseline.—Before the date of completion of a project for which a grant is provided under the program, the eligible entity carrying out the project shall submit to the Secretary a report providing baseline data for the purpose of analyzing the long-term impact of the project in accordance with the framework established under paragraph (2).

(B) Updated report.—Not later than 6 years after the date of completion of a project for which a grant is provided under the program, the eligible entity carrying out the project shall submit to the Secretary a report that compares the baseline data included in the report under subparagraph (A) to project data collected during the period—

- (i) beginning on the date that is 5 years after the date of completion of the project; and
- (ii) ending on the date on which the updated report is submitted.

(h) Eligible Project Costs.—

(1) In general.—An eligible entity may use a grant provided under the program for—

(A) development-phase activities and costs, including planning, feasibility analysis, revenue forecasting, alternatives analysis, data collection and analysis, environmental review and activities to support environmental review, preliminary engineering and design work, and other preconstruction activities, including the preparation of a data collection and post-construction analysis plan under subsection (g); and

(B) construction, reconstruction, rehabilitation, acquisition of real property (including land relating to the project and improvements to that land), environmental mitigation (including projects to replace or rehabilitate culverts or reduce stormwater runoff for the purpose of improving habitat for aquatic species), construction contingencies, acquisition of equipment, protection, and operational improvements directly relating to the project.

(2) Interest and other financing costs.—The interest and other financing costs of carrying out any part of a project under a multiyear grant agreement within a reasonable period of time shall be considered to be an eligible project cost only if the applicable eligible entity certifies to the Secretary that the eligible entity has demonstrated reasonable diligence in seeking the most favorable financing terms.

(i) Cost Sharing.—

(1) In general.—The total amount awarded for a project under the program may not exceed 60 percent of the total eligible project costs described in subsection (h).

(2) Maximum federal involvement.—

(A) In general.—Subject to subparagraph (B), Federal assistance other than a grant awarded under the program may be provided for a project for which a grant is awarded under the program.

(B) Limitation.—The total amount of Federal assistance provided for a project for which a grant is awarded under the program shall not exceed 80 percent of the total cost of the project.

(C) Non-federal share.—Secured loans or financing provided under section 603 of title 23 or section 22402 of this title and repaid with local funds or revenues shall be considered to be part of the local share of the cost of a project.

(3) Application to multiyear agreements.—Notwithstanding any other provision of this title, in any case in which amounts are provided under the program pursuant to a multiyear agreement, the disbursed Federal share of the cost of the project may exceed the limitations described in paragraphs (1) and (2)(B) for 1 or more years if the total amount of the Federal share of the cost of the project, once completed, does not exceed those limitations.

(j) Grant Agreements.—

(1) In general.—A project for which an eligible entity receives a multiyear grant under the program shall be carried out in accordance with this subsection.

(2) Terms.—A multiyear grant agreement under this subsection shall—

- (A) establish the terms of Federal participation in the applicable project;
- (B) establish the maximum amount of Federal financial assistance for the project;
- (C) establish a schedule of anticipated Federal obligations for the project that provides for obligation of the full grant amount;
- (D) describe the period of time for completing the project, regardless of whether that period extends beyond the period of an authorization; and
- (E) facilitate timely and efficient management of the applicable project by the eligible entity carrying out the project, in accordance with applicable law.

(3) Special rules.—

(A) In general.—A multiyear grant agreement under this subsection—

(i) shall provide for the obligation of an amount of available budget authority specified in law;

(ii) may include a commitment, contingent on amounts to be specified in law in advance for commitments under this paragraph, to obligate an additional amount from future available budget authority specified in law; and

(iii) shall provide that any funds disbursed under the program for the project before the completion of any review required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) may only cover costs associated with development-phase activities described in subsection (h)(1)(A).

(B) Contingent commitment.—A contingent commitment under this paragraph is not an obligation of the Federal Government, including for purposes of section 1501 of title 31.

(4) Single-year grants.—The Secretary may only provide to an eligible entity a full grant under the program in a single year if all reviews required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to the applicable project have been completed before the receipt of any program funds.

(k) Congressional Notification.—

(1) In general.—Not later than 30 days before the date on which the Secretary publishes the selection of projects to receive grants under the program, the Secretary shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a written notice that includes—

(A) a list of all project applications reviewed by the Secretary as part of the selection process;

(B) the rating assigned to each project under subsection (f)(4);

(C) an evaluation and justification with respect to each project for which the Secretary will—

- (i) provide a grant under the program; and
- (ii) enter into a multiyear grant agreement under the program;

(D) a description of the means by which the Secretary anticipates allocating among selected projects the amounts made available to the Secretary to carry out the program; and

(E) anticipated funding levels required for the 3 fiscal years beginning after the date of submission of the notice for projects selected for grants under the program, based on information available to the Secretary as of that date.

(2) Congressional disapproval.—The Secretary may not provide a grant or any other obligation or commitment to fund a project under the program if a joint resolution is enacted disapproving funding for the project before the last day of the 30-day period described in paragraph (1).

(l) Reports.—

(1) Transparency.—Not later than 60 days after the date on which the grants are announced under the program, the Secretary shall publish on the website of the Department a report that includes—

- (A) a list of all project applications reviewed by the Secretary as part of the selection process under the program;
- (B) the rating assigned to each project under subsection (f)(4); and
- (C) a description of each project for which a grant has been provided under the program.

(2) Comptroller general.—

(A) Assessment.—The Comptroller General of the United States shall conduct an assessment of the administrative establishment, solicitation, selection, and justification process with respect to the funding of grants under the program.

(B) Report.—Not later than 18 months after the date on which the initial grants are awarded for projects under the program, the Comptroller General shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that describes, as applicable—

- (i) the adequacy and fairness of the process by which the projects were selected; and
- (ii) the justification and criteria used for the selection of the projects.

(m) Authorization of Appropriations.—

(1) In general.—There is authorized to be appropriated to the Secretary to carry out the program \$2,000,000,000 for each of fiscal years 2022 through 2026.

(2) Other projects.—Of the amounts made available under paragraph (1), 50 percent shall be set aside for projects that have a project cost of—

- (A) more than \$100,000,000; but
- (B) less than \$500,000,000.

(3) Administrative expenses.—Of the amounts made available to carry out the program for each fiscal year, the Secretary may reserve not more than 2 percent for the costs of—

- (A) administering and overseeing the program; and
- (B) hiring personnel for the program, including personnel dedicated to processing permitting and environmental review issues.

(4) Transfer of authority.—The Secretary may transfer any portion of the amounts reserved under paragraph (3) for a fiscal year to the Administrator of any of the Federal Highway Administration, the Federal Transit Administration, the Federal Railroad Administration, or the Maritime Administration to award and oversee grants in accordance with this section.

(n) Additional Requirements.—

(1) In general.—Each project that receives a grant under this chapter shall achieve compliance with the applicable requirements of—

- (A) subchapter IV of chapter 31 of title 40;
- (B) title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.); and
- (C) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) Modal requirements.—The Secretary shall, with respect to a project funded by a grant under this section, apply—

- (A) the requirements of title 23 to a highway, road, or bridge project;
- (B) the requirements of chapter 53 to a transit project; and
- (C) the requirements of section 22905 to a rail project.

(3) Multimodal projects.—

(A) In general.—Except as otherwise provided in this paragraph, if an eligible project is a multimodal project, the Secretary shall—

- (i) determine the predominant modal component of the project; and
- (ii) apply the applicable requirements described in paragraph (2) of the predominant modal component to the project.

(B) Exceptions.—

- (i) Passenger or freight rail component.—The requirements of section 22905 shall apply to any passenger or freight rail component of a project.
- (ii) Public transportation component.—The requirements of section 5333 shall apply to any public transportation component of a project.

### **117. Nationally significant multimodal freight and highway projects**

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established a nationally significant freight and highway projects program to provide financial assistance for projects of national or regional significance.

(2) GOALS.—The goals of the program shall be to—

- (A) improve the safety, efficiency, and reliability of the movement of freight and people in and across rural and urban areas;
- (B) generate national or regional economic benefits and an increase in the global economic competitiveness of the United States;
- (C) reduce highway or freight congestion and bottlenecks;
- (D) improve connectivity between modes of freight transportation;
- (E) enhance the resiliency of critical highway or freight infrastructure and help protect the environment;
- (F) improve roadways vital to national energy security, including highways that support movement of energy equipment; and
- (G) address the impact of population growth on the movement of people and freight.

(b) GRANT AUTHORITY.—

(1) IN GENERAL.—In carrying out the program established in subsection (a), the Secretary may make grants, on a competitive basis, in accordance with this section.

(2) GRANT AMOUNT.—Except as otherwise provided, each grant made under this section shall be in an amount that is at least \$25,000,000.

(3) GRANT ADMINISTRATION.—The Secretary may—

(A) retain not more than a total of 2 percent of the funds made available to carry out this section for the National Surface Transportation and Innovative Finance Bureau to review applications for grants under this section; and

(B) transfer portions of the funds retained under subparagraph (A) to the relevant Administrators to fund the award and oversight of grants provided under this section.

(c) ELIGIBLE APPLICANTS.—

(1) IN GENERAL.—The Secretary may make a grant under this section to the following:

(A) A State or a group of States.

(B) A metropolitan planning organization that serves an urbanized area (as defined by the Bureau of the Census) with a population of more than 200,000 individuals.

(C) A unit of local government or a group of local governments.

(D) A political subdivision of a State or local government.

(E) A special purpose district or public authority with a transportation function, including a port authority.

(F) A Federal land management agency that applies jointly with a State or group of States.

(G) A tribal government or a consortium of tribal governments.

(H) A multistate corridor organization.

(HI) A multistate or multijurisdictional group of entities described in this paragraph.

(2) APPLICATIONS.—To be eligible for a grant under this section, an entity specified in paragraph (1) shall submit to the Secretary an application in such form, at such time, and containing such information as the Secretary determines is appropriate.

(d) ELIGIBLE PROJECTS.—

(1) IN GENERAL.—Except as provided in subsection (e), the Secretary may make a grant under this section only for a project that—

(A) is—

(i) a highway freight project carried out on the National Highway Freight Network established under section 167;

(ii) a highway or bridge project carried out on the National Highway System, including—

(I) a project to add capacity to the Interstate System to improve mobility; or

(II) a project in a national scenic area;

(iii) a freight project that is—

(I) a freight intermodal or freight rail project; or

(II) within the boundaries of a public or private freight rail, water (including ports), or intermodal facility and that is a surface transportation infrastructure project necessary to facilitate direct intermodal interchange, transfer, or access into or out of the facility;

(iv) a railway-highway grade crossing or grade separation project;

(v) a wildlife crossing project;

(vi) a surface transportation infrastructure project that—

(I) is located within the boundaries of or functionally connected to an international border crossing area in the United States;

- (II) improves a transportation facility owned by a Federal, State, or local government entity; and
  - (III) increases throughput efficiency of the border crossing described in subclause (I), including—
    - (aa) a project to add lanes;
    - (bb) a project to add technology; and
    - (cc) other surface transportation improvements; or
  - (vii) a project for a -marine highway corridor designated by the Secretary under section 55601(c) of title 46 (including an inland waterway corridor), if the Secretary determines that the project—
    - (I) is functionally connected to the National Highway Freight Network; and
    - (II) is likely to reduce on-road mobile source emissions; or
  - (viii) a highway, bridge, or freight project carried out on the National Multimodal Freight Network established under section 70103 of title 49; and
  - (B) has eligible project costs that are reasonably anticipated to equal or exceed the lesser of—
    - (i) \$100,000,000; or
    - (ii) in the case of a project—
      - (I) located in 1 State, 30 percent of the amount apportioned under this chapter to the State in the most recently completed fiscal year; or
      - (II) located in more than 1 State, 50 percent of the amount apportioned under this chapter to the participating State with the largest apportionment under this chapter in the most recently completed fiscal year.
- (2) LIMITATION.—
- (A) IN GENERAL.—Not more than 30 percent of the amounts made available for grants under this section for each of fiscal years 2022 through 2026 may be used to make grants for projects described in paragraph (1)(A)(iii) and such a project may only receive a grant under this section if—
    - (i) the project will make a significant improvement to freight movements on the National Highway Freight Network; and
    - (ii) the Federal share of the project funds only elements of the project that provide public benefits.
  - (B) EXCLUSIONS.—The limitation under subparagraph (A)—
    - (i) shall not apply to a railway-highway grade crossing or grade separation project; and
    - (ii) with respect to a multimodal project, shall apply only to the non-highway portion or portions of the project.
- (e) SMALL PROJECTS.—
- (1) IN GENERAL.—The Secretary shall reserve not less than 15 percent of the amounts made available for grants under this section each fiscal year to make grants for projects described in subsection (d)(1)(A) that do not satisfy the minimum threshold under subsection (d)(1)(B).
  - (2) GRANT AMOUNT.—Each grant made under this subsection shall be in an amount that is at least \$5,000,000.
  - (3) PROJECT SELECTION CONSIDERATIONS.—In addition to other applicable requirements, in making grants under this subsection the Secretary shall consider—
    - (A) the cost effectiveness of the proposed project;

(B) the effect of the proposed project on mobility in the State and region in which the project is carried out; and

(C) the effect of the proposed project on safety on freight corridors with significant hazards, such as high winds, heavy snowfall, flooding, rockslides, mudslides, wildfire, wildlife crossing onto the roadway, or steep grades.

(4) REQUIREMENT.—Of the amounts reserved under paragraph (1), not less than 30 percent shall be used for projects in rural areas (as defined in subsection (i)(3)).

(f) ELIGIBLE PROJECT COSTS.—Grant amounts received for a project under this section may be used for—

(1) development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities; and

(2) construction, reconstruction, rehabilitation, acquisition of real property (including land related to the project and improvements to the land), environmental mitigation (including a project to replace to rehabilitate a culvert, or to reduce stormwater runoff for the purpose of improving habitat for aquatic species), construction contingencies, acquisition of equipment, and operational improvements directly related to improving system performance.

(g) PROJECT REQUIREMENTS.—The Secretary may select a project described under this section (other than subsection (e)) for funding under this section only if the Secretary determines that—

(1) the project will generate national or regional economic, mobility, or safety benefits;

(2) the project will be cost effective;

(3) the project will contribute to the accomplishment of 1 or more of the national goals described under section 150 of this title;

(4) the project is based on the results of preliminary engineering;

(5) with respect to related non-Federal financial commitments—

(A) 1 or more stable and dependable sources of funding and financing are available to construct, maintain, and operate the project; and

(B) contingency amounts are available to cover unanticipated cost increases;

(6) the project cannot be easily and efficiently completed without other Federal funding or financial assistance available to the project sponsor; and

(7) the project is reasonably expected to begin construction not later than 18 months after the date of obligation of funds for the project.

(h) ADDITIONAL CONSIDERATIONS.—In making a grant under this section, the Secretary shall consider—

(1) utilization of nontraditional financing, innovative design and construction techniques, or innovative technologies;

(2) utilization of non-Federal contributions;

(3) contributions to geographic diversity among grant recipients, including the need for a balance between the needs of rural and urban communities;

(4) enhancement of freight resilience to natural hazards or disasters, including high winds, heavy snowfall, flooding, rockslides, mudslides, wildfire, wildlife crossing onto the roadway, or steep grades;

(5) whether the project will improve the shared transportation corridor of a multistate corridor organization, if applicable; and

(6) prioritizing projects located in States in which neither the State nor an eligible entity in that State has been awarded a grant under this section.

(i) RURAL AREAS.—

(1) IN GENERAL.—The Secretary shall reserve not less than 25 percent of the amounts made available for grants under this section, including the amounts made available under subsection (e), each fiscal year to make grants for projects located in rural areas.

(2) EXCESS FUNDING.—In any fiscal year in which qualified applications for grants under this subsection will not allow for the amount reserved under paragraph (1) to be fully utilized, the Secretary shall use the unutilized amounts to make grants under subsection (e).

(3) RURAL AREA DEFINED.—In this subsection, the term ‘rural area’ means an area that is outside an urbanized area with a population of over 200,000.

(j) FEDERAL ASSISTANCE.—

(1) FEDERAL SHARE.—

(A) IN GENERAL.— Except as provided in subparagraph (B) or for a grant under subsection (q), the Federal share of the cost of a project assisted with a grant under this section may not exceed 60 percent.

(B) SMALL PROJECTS.—In the case of a project described in subsection (e)(1), the Federal share of the cost of the project shall be 80 percent.

(2) MAXIMUM FEDERAL INVOLVEMENT.—Except for grants under subsection (q), Federal assistance other than a grant under this section may be used to satisfy the non-Federal share of the cost of a project for which such a grant is made, except that—

(A) for a State with a population density of not more than 80 persons per square mile of land area, based on the 2020 census, the maximum share of the total Federal assistance provided for a project receiving a grant under this section shall be the applicable share under section 120(b); and

(B) for a State not described in subparagraph (A), the total Federal assistance provided for a project receiving a grant under this section may not exceed 80 percent of the total project cost.

(3) FEDERAL LAND MANAGEMENT AGENCIES.—Notwithstanding any other provision of law, any Federal funds other than those made available under this title or title 49 may be used to pay the non-Federal share of the cost of a project carried out under this section by a Federal land management agency, as described under subsection (c)(1)(F).

~~(k)~~(k) EFFICIENT USE OF NON-FEDERAL FUNDS.—

(1) IN GENERAL.—Notwithstanding any other provision of law and subject to approval by the Secretary under paragraph (2)(B), in the case of any grant for a project under this section, during the period beginning on the date on which the grant recipient is selected and ending on the date on which the grant agreement is signed—

(A) the grant recipient may obligate and expend non-Federal funds with respect to the project for which the grant is provided; and

(B) any non-Federal funds obligated or expended in accordance with subparagraph (A) shall be credited toward the non-Federal cost share for the project for which the grant is provided.

(2) REQUIREMENTS.—

(A) APPLICATION.—In order to obligate and expend non-Federal funds under paragraph (1), the grant recipient shall submit to the Secretary a request to obligate and expend non-Federal funds under that paragraph, including—

(i) a description of the activities the grant recipient intends to fund;

(ii) a justification for advancing the activities described in clause (i), including an assessment of the effects to the project scope, schedule, and budget if the request is not approved; and

(iii) the level of risk of the activities described in clause (i).

(B) APPROVAL.—The Secretary shall approve or disapprove each request submitted under subparagraph (A).

(C) COMPLIANCE WITH APPLICABLE REQUIREMENTS.—Any non-Federal funds obligated or expended under paragraph (1) shall comply with all applicable requirements, including any requirements included in the grant agreement.

(3) EFFECT.—The obligation or expenditure of any non-Federal funds in accordance with this subsection shall not—

(A) affect the signing of a grant agreement or other applicable grant procedures with respect to the applicable grant;

(B) create an obligation on the part of the Federal Government to repay any non-Federal funds if the grant agreement is not signed; or

(C) affect the ability of recipient of the grant to obligate or expend non-Federal funds to meet the non-Federal cost share for the project for which the grant is provided after the period described in paragraph (1).

(l) TREATMENT OF FREIGHT PROJECTS.—Notwithstanding any other provision of law, a freight project carried out under this section shall be treated as if the project is located on a Federal-aid highway.

(lm) TIFIA PROGRAM.—At the request of an eligible applicant under this section, the Secretary may use amounts awarded to the entity to pay subsidy and administrative costs necessary to provide the entity Federal credit assistance under chapter 6 with respect to the project for which the grant was awarded.

(mn) CONGRESSIONAL NOTIFICATION.—

(1) In general.—Not later than 60 days before the date on which a grant is provided for a project under this section, the Secretary shall submit to the Committees on Commerce, Science, and Transportation and Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report describing the proposed grant, including—

(A) an evaluation and justification for the applicable project; and

(B) a description of the amount of the proposed grant award.

(2) CONGRESSIONAL DISAPPROVAL.—The Secretary may not make a grant or any other obligation or commitment to fund a project under this section if a joint resolution is enacted disapproving funding for the project before the last day of the 60-day period described in paragraph (1).

(o) APPLICANT NOTIFICATION.—

(1) IN GENERAL.—Not later than 60 days after the date on which a grant recipient for a project under this section is selected, the Secretary shall provide to each eligible applicant not selected for that grant a written notification that the eligible applicant was not selected.

(2) INCLUSION.—A written notification under paragraph (1) shall include an offer for a written or telephonic debrief by the Secretary that will provide—

(A) detail on the evaluation of the application of the eligible applicant; and

(B) an explanation of and guidance on the reasons the application was not selected for a grant under this section.

(3) RESPONSE.—

(A) IN GENERAL.—Not later than 30 days after the eligible applicant receives a written notification under paragraph (1), if the eligible applicant opts to receive a debrief described in paragraph (2), the eligible applicant shall notify the Secretary that the eligible applicant is requesting a debrief.

(B) DEBRIEF.—If the eligible applicant submits a request for a debrief under subparagraph (A), the Secretary shall provide the debrief by not later than 60 days after the date on which the Secretary receives the request for a debrief.

(p) REPORTS.—

(1) ANNUAL REPORT.—

(A) IN GENERAL.—Notwithstanding any other provision of law, not later than 30 days after the date on which the Secretary selects a project for funding under this section, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that describes the reasons for selecting the project, based on any criteria established by the Secretary in accordance with this section.

(B) INCLUSIONS.—The report submitted under subparagraph (A) shall specify each criterion established by the Secretary that the project meets.

(C) AVAILABILITY.—The Secretary shall make available on the website of the Department of Transportation the report submitted under subparagraph (A).

(D) APPLICABILITY.—This paragraph applies to all projects described in subparagraph (A) that the Secretary selects on or after October 1, 2021.

(2) COMPTROLLER GENERAL.—

(A) ASSESSMENT.—The Comptroller General of the United States shall conduct an assessment of the establishment, solicitation, selection, and justification process with respect to the funding of projects under this section.

(B) REPORT.—Not later than 1 year after the date of enactment of the Surface Transportation Reauthorization Act of 2021 and annually thereafter, the Comptroller General of the United States shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that describes, for each project selected to receive funding under this section—

(i) the process by which each project was selected;

(ii) the factors that went into the selection of each project; and

(iii) the justification for the selection of each project based on any criteria established by the Secretary in accordance with this section.

(3) INSPECTOR GENERAL.—Not later than 1 year after the date of enactment of the Surface Transportation Reauthorization Act of 2021 and annually thereafter, the Inspector General of the Department of Transportation shall—

(A) conduct an assessment of the establishment, solicitation, selection and justification process with respect to the funding of projects under this section; and

(B) submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a final report that describes the findings of the Inspector General of the Department of Transportation with respect to the assessment conducted under subparagraph (A).

(q) STATE INCENTIVES PILOT PROGRAM.—

(1) ESTABLISHMENT.—There is established a pilot program to award grants to eligible applicants for projects eligible for grants under this section (referred to in this subsection as the “pilot program”).

(2) PRIORITY.—In awarding grants under the pilot program, the Secretary shall give priority to an application that offers a greater non-Federal share of the cost of a project, relative to other applications under the pilot program.

(3) FEDERAL SHARE.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the Federal share of the cost of a project assisted with a grant under the pilot program may not exceed 50 percent.

(B) NO FEDERAL INVOLVEMENT.—

(i) IN GENERAL.—For grants awarded under the pilot program, except as provided in clause (ii), an eligible applicant may not use Federal assistance to satisfy the non-Federal share of the cost under subparagraph (A).

(ii) EXCEPTION.—An eligible applicant may use funds from a secured loan (as defined in section 601(a)) to satisfy the non-Federal share of the cost under subparagraph (A) if the loan is repayable from non-Federal funds.

(4) RESERVATION.—

(A) IN GENERAL.—Of the amounts made available to provide grants under this section, the Secretary shall reserve for each fiscal year \$150,000,000 to provide grants under the pilot program.

(B) UNUTILIZED AMOUNTS.—In any fiscal year during which applications under this subsection are insufficient to effect an award or allocation of the entire amount reserved under subparagraph (A), the Secretary shall use the unutilized amounts to provide other grants under this section.

(5) SET-ASIDES.—

(A) SMALL PROJECTS.—

(i) IN GENERAL.—Of the amounts reserved under paragraph (4)(A), the Secretary shall reserve for each fiscal year not less than 10 percent for projects eligible for a grant under subsection (e).

(ii) REQUIREMENT.—For a grant awarded from the amount reserved under clause (i)—

- (I) the requirements of subsection (e) shall apply; and
- (II) the requirements of subsection (g) shall not apply.

(B) RURAL PROJECTS.—

(i) IN GENERAL.—Of the amounts reserved under paragraph (4)(A), the Secretary shall reserve for each fiscal year not less than 25 percent for projects eligible for a grant under subsection (i).

(ii) REQUIREMENT.—For a grant awarded from the amount reserved under clause (i), the requirements of subsection (i) shall apply.

(6) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this subsection, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that describes the administration of the pilot program, including—

(A) the number, types, and locations of eligible applicants that have applied for grants under the pilot program;

(B) the number, types, and locations of grant recipients under the pilot program;

(C) an assessment of whether implementation of the pilot program has incentivized eligible applicants to offer a greater non-Federal share for grants under the pilot program; and

(D) any recommendations for modifications to the pilot program.

(r) Multistate Corridor Organization Defined.—For purposes of this section, the term ‘multistate corridor organization’ means an organization of a group of States developed through cooperative agreements, coalitions, or other arrangements to promote regional

cooperation, planning, and shared project implementation for programs and projects to improve transportation system management and operations for a shared transportation corridor.

(s) Additional Authorization of Appropriations.—In addition to amounts made available from the Highway Trust Fund, there are authorized to be appropriated to carry out this section, to remain available for a period of 3 fiscal years following the fiscal year for which the amounts are appropriated—

- (1) \$1,000,000,000 for fiscal year 2022;
- (2) \$1,100,000,000 for fiscal year 2023;
- (3) \$1,200,000,000 for fiscal year 2024;
- (4) \$1,300,000,000 for fiscal year 2025; and
- (5) \$1,400,000,000 for fiscal year 2026.

(b) Clerical Amendment.--The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section

117 and inserting the following:

“117. Nationally significant multimodal freight and highway projects.”.

(c) Efficient Use of Non-Federal Funds.--

(1) In general.--Notwithstanding any other provision of law, in the case of a grant described in paragraph (2), section 117(k) of title 23, United States Code, shall apply to the grant as if the grant was a grant provided under that section.

(2) Grant described.--A grant referred to in paragraph (1) is a grant that is--

(A) provided under a competitive discretionary grant program administered by the Federal Highway Administration;

(B) for a project eligible under title 23, United States Code.

### **§173. Rural surface transportation grant program**

(a) Definitions.-In this section:

(1) Program.-The term "program" means the program established under subsection (b)(1).

(2) Rural area.-The term "rural area" means an area that is outside an urbanized area with a population of over 200,000.

(b) Establishment.-

(1) In general.-The Secretary shall establish a rural surface transportation grant program to provide grants, on a competitive basis, to eligible entities to improve and expand the surface transportation infrastructure in rural areas.

(2) Goals.-The goals of the program shall be-

(A) to increase connectivity;

(B) to improve the safety and reliability of the movement of people and freight; and

(C) to generate regional economic growth and improve quality of life.

(3) Grant administration.-The Secretary may-

(A) retain not more than a total of 2 percent of the funds made available to carry out the program and to review applications for grants under the program; and

(B) transfer portions of the funds retained under subparagraph (A) to the relevant Administrators to fund the award and oversight of grants provided under the program.

(c) Eligible Entities.-The Secretary may make a grant under the program to-

(1) a State;

(2) a regional transportation planning organization;

(3) a unit of local government;

(4) a Tribal government or a consortium of Tribal governments; and

(5) a multijurisdictional group of entities described in paragraphs (1) through (4).

(d) Applications.-To be eligible to receive a grant under the program, an eligible entity shall submit to the Secretary an application in such form, at such time, and containing such information as the Secretary may require.

(e) Eligible Projects.-

(1) In general.-Except as provided in paragraph (2), the Secretary may make a grant under the program only for a project that is-

(A) a highway, bridge, or tunnel project eligible under section 119(d);

(B) a highway, bridge, or tunnel project eligible under section 133(b);

(C) a project eligible under section 202(a);

(D) a highway freight project eligible under section 167(h)(5);

(E) a highway safety improvement project, including a project to improve a high risk rural road (as those terms are defined in section 148(a));

(F) a project on a publicly-owned highway or bridge that provides or increases access to an agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area; or

(G) a project to develop, establish, or maintain an integrated mobility management system, a transportation demand management system, or on-demand mobility services.

(2) Bundling of eligible projects.-

(A) In general.-An eligible entity may bundle 2 or more similar eligible projects under the program that are-

- (i) included as a bundled project in a statewide transportation improvement program under section 135; and
- (ii) awarded to a single contractor or consultant pursuant to a contract for engineering and design or construction between the contractor and the eligible entity.

(B) Itemization.-Notwithstanding any other provision of law (including regulations), a bundling of eligible projects under this paragraph may be considered to be a single project, including for purposes of section 135.

(f) Eligible Project Costs.-An eligible entity may use funds from a grant under the program for-

- (1) development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities; and
- (2) construction, reconstruction, rehabilitation, acquisition of real property (including land related to the project and improvements to the land), environmental mitigation, construction contingencies, acquisition of equipment, and operational improvements.

(g) Project Requirements.-The Secretary may provide a grant under the program to an eligible project only if the Secretary determines that the project-

- (1) will generate regional economic, mobility, or safety benefits;
- (2) will be cost effective;
- (3) will contribute to the accomplishment of 1 or more of the national goals under section 150;
- (4) is based on the results of preliminary engineering; and
- (5) is reasonably expected to begin construction not later than 18 months after the date of obligation of funds for the project.

(h) Additional Considerations.-In providing grants under the program, the Secretary shall consider the extent to which an eligible project will-

- (1) improve the state of good repair of existing highway, bridge, and tunnel facilities;
- (2) increase the capacity or connectivity of the surface transportation system and improve mobility for residents of rural areas;
- (3) address economic development and job creation challenges, including energy sector job losses in energy communities as identified in the report released in April 2021 by the interagency working group established by section 218 of Executive Order 14008 (86 Fed. Reg. 7628 (February 1, 2021));
- (4) enhance recreational and tourism opportunities by providing access to Federal land, national parks, national forests, national recreation areas, national wildlife refuges, wilderness areas, or State parks;
- (5) contribute to geographic diversity among grant recipients;
- (6) utilize innovative project delivery approaches or incorporate transportation technologies;
- (7) coordinate with projects to address broadband infrastructure needs; or
- (8) improve access to emergency care, essential services, healthcare providers, or drug and alcohol treatment and rehabilitation resources.

(i) Grant Amount.-Except as provided in subsection (k)(1), a grant under the program shall be in an amount that is not less than \$25,000,000.

(j) Federal Share.-

(1) In general.-Except as provided in paragraph (2), the Federal share of the cost of a project carried out with a grant under the program may not exceed 80 percent.

(2) Federal share for certain projects.-The Federal share of the cost of an eligible project that furthers the completion of a designated segment of the Appalachian Development Highway System under [section 14501 of title 40](#), or addresses a surface transportation infrastructure need identified for the Denali access system program under section 309 of the Denali Commission Act of 1998 ([42 U.S.C. 3121 note](#); Public Law 105–277) shall be up to 100 percent, as determined by the State.

(3) Use of other federal assistance.-Federal assistance other than a grant under the program may be used to satisfy the non-Federal share of the cost of a project carried out with a grant under the program.

(k) Set Asides.-

(1) Small projects.-The Secretary shall use not more than 10 percent of the amounts made available for the program for each fiscal year to provide grants for eligible projects in an amount that is less than \$25,000,000.

(2) Appalachian development highway system.-The Secretary shall reserve 25 percent of the amounts made available for the program for each fiscal year for eligible projects that further the completion of designated routes of the Appalachian Development Highway System under [section 14501 of title 40](#).

(3) Rural roadway lane departures.-The Secretary shall reserve 15 percent of the amounts made available for the program for each fiscal year to provide grants for eligible projects located in States that have rural roadway fatalities as a result of lane departures that are greater than the average of rural roadway fatalities as a result of lane departures in the United States, based on the latest available data from the Secretary.

(4) Excess funding.-In any fiscal year in which qualified applications for grants under this subsection do not allow for the amounts reserved under paragraphs (1), (2), or (3) to be fully utilized, the Secretary shall use the unutilized amounts to make other grants under the program.

(l) Congressional Review.-

(1) Notification.-Not less than 60 days before providing a grant under the program, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives-

(A) a list of all applications determined to be eligible for a grant by the Secretary;

(B) each application proposed to be selected for a grant, including a justification for the selection; and

(C) proposed grant amounts.

(2) Committee review.-Before the last day of the 60-day period described in paragraph (1), each Committee described in paragraph (1) shall review the list of proposed projects submitted by the Secretary.

(3) Congressional disapproval.-The Secretary may not make a grant or any other obligation or commitment to fund a project under the program if a joint resolution is enacted

disapproving funding for the project before the last day of the 60-day period described in paragraph (1).

(m) Transparency.-

(1) In general.-Not later than 30 days after providing a grant for a project under the program, the Secretary shall provide to all applicants, and publish on the website of the Department of Transportation, the information described in subsection (l)(1).

(2) Briefing.-The Secretary shall provide, on the request of an eligible entity, the opportunity to receive a briefing to explain any reasons the eligible entity was not selected to receive a grant under the program.

(n) Reports.-

(1) Annual report.-The Secretary shall make available on the website of the Department of Transportation at the end of each fiscal year an annual report that lists each project for which a grant has been provided under the program during that fiscal year.

(2) Comptroller general.-

(A) Assessment.-The Comptroller General of the United States shall conduct an assessment of the administrative establishment, solicitation, selection, and justification process with respect to the awarding of grants under the program for each fiscal year.

(B) Report.-Each fiscal year, the Comptroller General shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that describes, for the fiscal year-

(i) the adequacy and fairness of the process by which each project was selected, if applicable; and

(ii) the justification and criteria used for the selection of each project, if applicable.

(o) Treatment of Projects.-Notwithstanding any other provision of law, a project assisted under this section shall be treated as a project on a Federal-aid highway under this chapter.

EXHIBIT B: Summary of Application Information Requirements

The following is a summary of instructions provided to applicants found in Section D: Application and Submission Information, in the FY2023-2024 Notice of Funding Opportunity ([MPDG NOFO 2023-2024 | US Department of Transportation](#)):

**General:** Applications must be submitted through [www.Grants.gov](http://www.Grants.gov). Instructions for submitting applications can be found at <https://www.transportation.gov/buildamerica/infragrants>. The application must include the Standard Form 424 (Application for Federal Assistance). They should also include Standard Form 424C (Budget Information for Construction Programs), an optional project information form., and individual application attachments as outlined in the table below:

Information	File Name	Page Limit
SF-424 (automatically submitted once complete in grants.gov, not attachment)	SF-424	N/A
SF-424C (automatically submitted once complete	SF-424C	N/A

in grants.gov, not attachment)		
Project Information Form (in Excel, template)	FY 2023 MPDG Project Information Form	N/A
Project Description	Project Description	5 pages
Project Location File (zipped Shapefile, KML/KMZ, or GEOJSON)	Location File-State-Project Name (ex: <i>Location File-AK-Highway Project</i> )	N/A
Project Budget, Sources and Uses of Funding	Project Budget	5 pages
Funding Commitment Documentation	Funding Commitments	N/A
Outcome Criteria Narrative	Outcome Criteria Narrative	15 pages
Project Readiness	Project Readiness	5 pages
Project Requirements	Project Requirements	5 pages
Benefit-Cost Analysis Narrative	BCA Narrative	N/A
Benefit-Cost Analysis Calculations (Excel recommended)	BCA Calculations	N/A
Mega Data Plan (if applicable)	Mega Data Plan-State-Project Name (ex: <i>Mega Data Plan-AK-Highway Project</i> )	N/A
Letters of Support (Optional)	Letters Of Support	N/A
Community Benefits Plan (Optional)	Community Benefits Plan	N/A
Title VI Plan (Optional)	Title VI Plan	N/A

DOT expects the application attachments/files be prepared with standard formatting preferences (a single-spaced document, using a standard 12-point font such as Times New Roman, with 1-inch margins), and documents should be submitted in PDF, unless otherwise specified (i.e., project information form should be in Excel, and the BCA calculations could be submitted in Excel).

Supporting documents may be attached in addition to the listed files, but evaluators are not required to review supporting documents as part of the review. If possible, website links to supporting documentation should be provided rather than copies of these supporting materials.

**Project Description:**

This file must provide a description and statement of work for the project that focuses on the technical and engineering aspects of the project, the current design status of the project, the transportation challenges that the project is intended to address, and how the project is expected address those challenges. This file may also discuss the project’s history, including a description of any previously completed components and any previously incurred costs. The applicant may use this section to place the project into a broader context of other infrastructure investments being pursued by the project sponsor. This file should also describe the project

location in a narrative fashion, including a detailed geographical description of the proposed project and map(s) of the project's location, to supplement the geographic project map provided in the project location file

**Location:** Applications should submit one of the following file types with project location identification, which will be used to verify the urban/rural designation, the Area of Persistent Poverty designation, and the Historically Disadvantaged Community designation. Acceptable file types are zipped Shapefile, KML/KMZ, or GEOJSON. Applicants should submit one of the following file types with project location identification, which will be used to verify the urban/rural designation, and other information in support of the application review. Acceptable file types are zipped Shapefile, KML/KMZ, or GEOJSON

**Project Budget:** This section of the application should describe the project's budget, the degree of design completion for which the cost was estimated, and the plans for covering the full cost of the project from all sources.

**Project Outcome Criteria:** This section of the application should demonstrate how the project aligns with the Project Outcome Criteria described in Section E.2 of the NOFO.

**Project Readiness:** A file should include information that addresses the Environmental Risk and Technical Capacity considerations as described in Section E.1.iv of the NOFO.

**Detailed Project Schedule:** This section should include a detailed project schedule that identifies all major milestones.

**Benefit-Cost Analysis:** A benefit-cost analysis (BCA) should be included a narrative and calculation file, and guidance is included in the Notice of Funding Opportunity.

**Protection of Confidential Business Information:** All information submitted as part of, or in support of, any application shall use publicly available data or data that can be made public and methodologies that are accepted by industry practice and standards, to the extent possible. If the application includes information the applicant considers to be a trade secret or confidential commercial or financial information, the applicant should do the following: (1) note on the front cover that the submission "Contains Confidential Business Information (CBI)"; (2) mark each affected page "CBI"; and (3) highlight or otherwise denote the CBI portions. The Department protects such information from disclosure to the extent allowed under applicable law. In the event the Department receives a Freedom of Information Act (FOIA) request for the information, USDOT will follow the procedures described in its FOIA regulations at 49 CFR § 7.17. Only information that is ultimately determined to be confidential under that procedure will be exempt from disclosure under FOIA.

**Publication of Application Information:** Following the completion of the selection process and announcement of awards, the Department intends to publish a list of all applications received along with the names of the applicant organizations and funding amounts requested. Except for the information properly marked as Confidential Business Information, the Department may make application narratives publicly available.

## EXHIBIT C: Reporting Requirements for Recipient

### GENERAL REPORTING TERMS

**Report Submission.** The Recipient shall send all reports required by the grant agreement to all of the DOT contacts who are listed in the funding agreement.

**Alternative Reporting Methods.** The Administering Operating Administration may establish processes for the Recipient to submit reports required by the funding agreement, including electronic submission processes. If the Recipient is notified of those processes in writing, the Recipient shall use the processes required by the Administering Operating Administration.

**Reporting as History of Performance.** Under 2 C.F.R 200.205, any Federal awarding agency may consider the Recipient's timely submission of the reports that the funding agreement requires, or the Recipient's failure to timely submit those reports, when evaluating the risks of making a future Federal financial assistance award to the Recipient.

**Paperwork Reduction Act Notice.** Under 5 C.F.R. 1320.6, the Recipient is not required to respond to a collection of information that does not display a currently valid control number issued by the Office of Management and Budget (the "OMB").

### **Reporting of Matters Related to Integrity and Performance.**

If the total value of a selected applicant's currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then the applicant during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in paragraph 2 of this award term and condition. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 2313).

### PROGRESS REPORTING

On or before the 20th day of January, April, July, and October of each year and until the Project is complete and all Fund-Obligating Agreements under this term sheet have been closed out, the Project Sponsor shall submit a Quarterly Project Progress Report for each component of the Project. But if the date of the term sheet is in March, June, September, or December, instead of submitting a Quarterly Project Progress Report covering less than one month, the Project Sponsor shall submit the first Quarterly Project Progress Report in the fourth calendar month that begins after the date of the term sheet. The Project Sponsor shall submit a Federal Financial Report (SF-425) as part of each Quarterly Project Progress Report. The Administering Operating Administration will provide the Project Sponsor with the form and content for these Quarterly Project Progress Reports.