DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

FTA Fiscal Year (FY) 2014 Apportionments, Allocations, and Program Information

AGENCY: Federal Transit Administration (FTA), DOT.

ACTION: Notice.

SUMMARY: On January 17, 2014, President Obama signed the Consolidated Appropriations Act, 2014, (FY 2014 Appropriations) which provided a full fiscal year's funding for Federal Transit Assistance programs. Previous continuing resolutions had provided funds through January 18, 2014. The Federal Transit Administration (FTA) annually publishes one or more notices apportioning funds appropriated by law. This notice apportions and provides information on the FY 2014 funding available for the FTA assistance programs, and provides program guidance and requirements, and information on several program issues important in the current year. This notice also provides information on FTA's discretionary programs and forthcoming program guidance.

FOR FURTHER INFORMATION CONTACT: For general information about this notice contact Jamie Pfister, Director, Office of Transit Programs, at (202) 366–2053. Please contact the appropriate FTA regional office for any specific requests for information or technical assistance. A list of FTA regional offices and contact information is available on the FTA Web site under the heading ''Regional Offices'' at *http://www.fta.dot.gov.* An FTA headquarters contact for each major program area is included in the discussion of that program in the text of the notice.

SUPPLEMENTARY INFORMATION:

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I. Overview

On October 1, 2012, the Moving Ahead for Progress in the 21st Century Act (MAP–21) (Pub. L. 112–141) authorized the Federal Transit Administration's (FTA) public transportation assistance programs for FYs 2013–2014. A notice announcing changes and implementation instructions in FTA programs in accordance with MAP–21 was published in the **Federal Register** on October 16, 2012. (See 77 FR 63669). On January 17, 2014, the FY 2014 Appropriations Act (Pub. L. 113–76) was signed into law, providing a full fiscal year of funding for FTA's programs as authorized by MAP–21. Prior to January 17, 2014, Congress provided partial funding for FY 2014 through continuing resolutions (Pub. L. 113–46 and Pub. L. 113–73). This notice apportions formula funds based on the Appropriations Act, 2014. In addition, this notice provides funding information for FTA's FY 2014 discretionary programs, including the FY 2014 Capital Investment Grant (CIG) Program allocations and prior year discretionary programs and their unobligated balances. Finally, this notice provides program information, including the status of MAP–21 implementation for many of the grant programs.

Consistent with the budget authority provided in MAP–21, for FTA's formula programs, the FY 2014 Appropriations provides an obligation limitation of $8.595 billion in FY 2014. The FY 2014 Appropriations also provides $150 million in FY 2014 for grants to the Washington Metropolitan Area Transportation Authority; $1.943 billion for the Capital Investment Grant Program; and $48 million for the Research, Technical Assistance and Training Programs.

II. FY 2014 Available Funding for FTA Programs

A. Funding Based on the Consolidated Appropriations Act, 2014

The FY 2014 Appropriations Act provides $ 10.841 billion for FTA programs and administrative expenses in FY 2014, of which $8.595 billion is derived from the Mass Transit Account of the Highway Trust Fund and is available for formula programs. This is in addition to over $7 billion in formula funds that remain unobligated from prior fiscal years. The FY 2014 Appropriations Act also provides $93.269 million in FY 1999 through 2010 unobligated discretionary bus and bus facilities funds for new bus rapid transit projects recommend in the President's FY 2014 budget submission to Congress provided that such funds are subject to the Capital Investment Grant (CIG) Program requirements under 49 U.S.C. 5309, and permits unobligated and recovered FY 2010 through 2012 funds for 49 U.S.C. 5339, Alternative Analysis, to be used for CIG purposes as well.

B. Oversight Takedown

In order to conduct program oversight activities in accordance with 49 U.S.C. 5338(i), 0.5 percent is set aside from the amounts available to carry out the Planning Programs (section 5305); the Enhanced Mobility of Seniors and Individuals with Disabilities Formula Program (section 5310); and the Rural

Areas Formula Grants Program (section 5311). In addition, 0.75 percent is set aside from amounts made available to carry out the Urbanized Area Formula Grants Programs, and the High Intensity Fixed Guideway State of Good Repair Formula Program (section 5337(c)). Additionally, one percent of the amounts made available to carry out the CIG Program (section 5309) as well as one percent of the amounts available for grants to the Washington Metropolitan Area Transit Authority (section 601 of the Passenger Rail Investment and Improvement Act of 2008 (Pub. L. 110–432)) is set aside for oversight activities.

C. FY 2014 Formula Apportionments; Data and Methodology

FTA is publishing apportionment tables on its Web site for each program that reflects the full year appropriations less oversight take-downs, as applicable. FTA is continuing to use, as it did in FY 2013, urbanized area and demographic data from the 2010 Census. Tables displaying the funds available to eligible states, tribes, and urbanized areas have been posted on FTA's Web site at *http://www.fta.dot.gov/apportionments*.

1. National Transit Database and Census Data Used in the FY 2014 Apportionments

Consistent with past practices, the calculations for sections 5307, 5311, including 5311(j) (''Tribal Transit''), 5329, 5337, and 5339 programs rely on transit service data reported to the National Transit Database (NTD) in 2012, the most recent year that NTD data is available. In some cases where an apportionment is based on the age of the system, the age is calculated as of September 30, 2013. Any recipient or beneficiary of either the section 5307 or section 5311 program funds is required to report to the NTD. Additionally, a number of transit operators report to the NTD on a voluntary basis. For 2012, the NTD includes data from 821 reporters in urbanized areas, 795 of which reported operating transit service. The NTD reports 1,256 providers of rural transit reserve, which includes 130 Indian Tribes providing transit service.

The tiers of the sections 5303, 5305, 5307 and 5339 formulas that are based on population and population density continue to rely on data published by the 2010 Census, as required by MAP–21. Likewise, the tiers of the section 5311 formula that are based on rural population and rural land area are calculated using 2010 Census data.

Sections 5307, 5311, and 5311(j) formulas include tiers where funding is allocated on the basis of the number of persons living in poverty and the section 5310 formula allocates funding on the basis of the population of older adults and people with disabilities. The Census Bureau no longer publishes decennial census data on persons living in poverty and persons with disabilities. As a result, FTA uses the data for these populations available via the Census' American Community Survey (ACS), which is updated annually.

The FY 2014 apportionments use data on low-income persons, persons with disabilities, and older adults from the 2008–2012 ACS five-year data set, which was published in December 2013. This data set provides the first estimates that are based on the new Urbanized Area boundaries from the 2010 Census.

Future apportionments will be based on the most-recent three-year ACS estimates that are available as of October 1st for the year being apportioned. This is consistent with the policies FTA has used for NTD data in the past. This policy provides predictability in the data to be used for the apportionment, without being contingent on the variable dates on which an appropriation is enacted into law, or on which an apportionment notice is formally published. In addition, it is consistent with the fact that even when an appropriation is enacted after the fiscal year, which begins on October 1st, the amount appropriated is based on that full fiscal year.

The NTD and census data that FTA used to calculate the apportionments associated with this notice can be found on FTA's Web site: *www.fta.dot.gov/apportionments*.

2. Updates to Formula Calculation Methodology for the FY 2014 Apportionments

Section 5336(d)(2) directs FTA to ''publish apportionments of the amounts, including amounts attributable to each urbanized area with a population of more than 50,000 and amounts attributable to each State of a multistate urbanized area on the apportionment date.''

In response to this requirement, which was present for the first time in FY 2013, FTA calculated each state's share of a multi-state urbanized area (UZA), as well as the apportionment to the UZA as a whole, by pro-rating population and NTD data attributable to each state's component of the multi-state UZA, calculating each state's share of the funding allocations to the multi-state UZA based on the formula for urbanized area grants set forth in section 5336, and aggregating the allocations to the UZA level.

For the FY 2014 section 5307 apportionments, FTA is calculating funds to the multi-state UZAs first and then pro-rating the funds to the component states in the UZA. This methodology aims to make it easier for practitioners in multi-state UZAs to use FTA's formula unit values table and is also consistent with how the section 5307 formula was calculated under the Safe Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Pub. L. 109–59, SAFETEA–LU).

For the FY 2014 apportionments, FTA will pro-rate each state's share of the multi-state UZA apportionment on the basis of the share of the population residing in the component states of the multi-state UZA as determined by the 2010 Decennial Census. This methodology should more-accurately suballocate funds than a methodology that relied, in part, on the state within the multistate UZA that a transit agency is headquartered (regardless of where within the multistate UZA the agency provides public transportation service).

As was the case in FY 2013 the amounts showing each state's share of a multistate UZA's apportionment are for illustrative purposes only. Designated recipients must continue to sub-allocate funds allocated to a UZA based on a locally determined process, consistent with section 5307 statutory requirements.

The FY 2013 full-year section 5303 Statewide Planning apportionments published in May 2013 inadvertently neglected to provide the statutorily required 0.5 percent funding floor to the State of Arkansas, resulting in Arkansas being allocated $1,333 less than it should have received under these allocations. The FY 2014 Statewide planning apportionment includes a technical correction that provides $1,333 to Arkansas in addition to the funds allocated for FY 2014. A total of $1,333 was deducted from all other States' section 5303 allocation on the basis of the states' overall share of the statewide planning allotment in FY 2014.

D. FY 2014 Discretionary Program Funding

1. Notices of Funding Availability

MAP–21 authorized several discretionary grant programs, such as the Transit-Oriented Development (TOD) Planning Pilot Program, Low or No Emissions Bus and Facilities Program, Tribal Transit Discretionary Program, and Passenger Ferry Program. FTA will publish individual Notices of Funding Availability (NOFAs) for some of these programs in the coming months now that the FY 2014 full-year appropriations are available. NOFAs will be posted in Grants.Gov and on FTA's Web site once published in the **Federal Register**.

In some cases, FTA may use proposals received under the FY 2013 NOFAs for purposes of allocating FY 2014 funds.

FTA published the FY 2013 NOFA for the Low or No Emissions Bus and Facilities Program on January 19, 2014. Applicants can apply for funding through March 10, 2014. *http://www.fta.dot.gov/grants/13077_15782.html*.

2. Research, Technical Assistance, and Training Program Funding

The FY 2014 Appropriations provides approximately $48 million for Research Technical Assistance and Training program activities of which $40 million is available to carry out Research, Development, Demonstration, and Development projects under 49 U.S.C. 5312, and $3 million is available for Transit Cooperative Research Program activities under 49 U.S.C. 5313. In addition, $3 million is available for Technical Assistance and Standards Development under 49 U.S.C. 5314 and $2 million is provided to carry out Human Resource and Training activities under 49 U.S.C. 5322(a) and (b). More information about these programs can be found in Section IV of this notice.

3. FY 2014 Fixed Guideway Capital Investment Grant Program Allocations

The Fixed Guideway Capital Investment Grant (CIG) Program (49 U.S.C 5309), which historically authorizes the New and Small Starts Programs and now includes the Core Capacity Improvement Program, is excluded from the NOFA process because the program has an ongoing project development and review process, and funding is allocated consistent with information already available to FTA. By way of this notice, however, FTA is publishing the FY 2014 CIG Allocations table (Table 7) to its Web site for approximately $2.132 billion available to carry out the program. These projects were included in the FY 2014 *Annual Report on Funding Recommendations for CIG Program* published on April 12, 2013. Pursuant to FY 2014 appropriations, prior year unobligated or recovered section 5339 (Alternatives Analysis) funds are made available to carry out 49 U.S.C. 5309 for New Starts, Small Starts, or Core Capacity projects as applicable. And, prior year unobligated or recovered section 5309 (Discretionary Bus and Bus Facilities) funds are available to carry out bus rapid transit (BRT) projects subject to the requirements of the CIG program. More information about this program and the CIG FY 2014 Allocations can be found in Section IV of this notice.

4. Unobligated Prior Year Discretionary Allocations

FTA is posting tables of prior year discretionary allocations that remain unobligated as of September 30, 2013 to its FY 2014 Apportionments Web page. These tables can be found here: *www.fta.dot.gov/apportionments* and are numbered Tables 14–18. Each table contains information pertaining to the lapse date of these funds.

III. FY 2014 Program Highlights and Changes

A. MAP–21 Implementation

As a result of the MAP–21 authorization and in addition to regulatory activities, FTA is in the process of updating program circulars to reflect MAP–21 changes and provide guidance for new and existing programs. Below is a chart of publication dates or expected publication dates for the program circulars. FTA publishes the draft circulars for notice and comment, taking into consideration all comments received prior to final publication. In the interim and until FTA publishes final program circulars, existing program circulars combined with the interim guidance in the October 16, 2012 apportionment notice can be used to administer the programs. FTA's electronic grant management system and financial systems both have been updated to reflect new programs and new codes provided by MAP–21. If there are additional questions about the major formula programs or grants, please contact your regional office or the Headquarters program contacts listed in Section IV of this notice.

Program	Expected/actual publication date (for Notice and Comment)	Expected/actual publication of final circular
Urbanized Area Formula Grant Program (Section 5307)	April 22, 2013	January 16, 2014.
Enhanced Mobility for Seniors and Individuals with Disabilities (Section 5310)	July 11, 2013	Spring 2014.
Rural Areas Formula Program (Section 5311)	September 26, 2013	Spring 2014.
State of Good Repair Formula Program (Section 5337)	Spring 2014	Fall 2014.
Bus and Bus Facilities Formula Program (Section 5339)	Spring 2014	Fall 2014.

On October 3, 2013 FTA published an expansive Advanced Notice of Proposed Rulemaking (ANRPM) in the **Federal Register** requesting comment on a number of questions related to the implementation of the new requirements under MAP–21 for a National Transit Safety Plan, a requirement for Agency Safety Plans, a new Safety Certification Training Program, and a new National Transit Asset Management System. The comment period for this ANPRM closed on January 2, 2014. FTA is currently engaged in the process of reviewing approximately 2,500 pages of comments from more than 140 commenters. FTA intends to begin issuing formal Notices of Proposed Rulemakings (NPRMs) on these topics in late 2014 or in 2015.

FTA is also continuing to work with States with rail fixed guideway public transportation systems (rail fixed guideway public transportation systems or rail transit systems) to develop and carry out State Safety Oversight (SSO) Programs consistent with the requirements of MAP–21. On October 1, 2013, FTA announced the initial certification status of each State and is now working with each State to address, among other things, identified gaps in their SSO Programs (SSO Program or SSOP) with MAP–21 requirements and to develop work plans to address these gaps as well as enhance a State's SSOP. In a separate notice, FTA will be providing the new formula for the SSO Formula Grant Program apportioning FYs 2013 and 2014 funds that may be used to support a State's SSOP that meets the requirements of 49 U.S.C. 5329(e), as amended by MAP–21. FTA is also developing a Notice of Proposed Rulemaking to propose its plan to implement the SSO Program and seek feedback from the transit industry. Additional information on FTA's safety authority and the requirements under section 5329 can be found in Section IV.O. of this notice.

B. Federal Highway Administration (FHWA) Congestion Mitigation and Air Quality Improvement Program (CMAQ) Funds for Operating Assistance

Section 125 of the 2014 Appropriations included changes to the operating assistance section of the CMAQ program (23 U.S.C. 149(m)). The changes added new language that prohibits the imposition of a time limitation for operating assistance eligibility on a system *''for which CMAQ funding was made available, obligated or expended in fiscal year 2012.''* The Federal Highway Administration (FHWA) understands this change is not consistent with the language in its CMAQ Interim Guidance available at *http://www.fhwa.dot.gov/environment/air_quality/cmaq/policy_and_guidance/2013_guidance/index.cfm*. FHWA, working with FTA, will provide further guidance to implement this change. However, funds transferred in FY 2014 or later (on or after October 1, 2013) for operating assistance projects for which CMAQ funding was made available, obligated or expended in FY 2012 could be eligible for operating assistance without a time limitation, based on the change in the 2014 Appropriations Act. FTA will work with grantees at the time of grant application to verify eligibility for this provision. More information about this provision and the expected procedures can be found in Section V of this notice.

For CMAQ projects not affected by the provision in Section 125 prohibiting time limitations on operating assistance, grantees are to refer to the interpretation in the CMAQ Interim Guidance with regard to eligibility and time frames for operating assistance (i.e., eligibility for three years, with the option to spread the third year over an additional two years).

C. Transitioning to a New Electronic Grant Management System

FTA will continue to use its Transportation Electronic Award Management System (TEAM) to award and manage all grants, cooperative agreements, and other funding instruments throughout FY 2014. However, beginning in October 2014 FTA expects to award and manage grants through the Transit Award Management System (TrAMS), the successor to TEAM.

When deployed, TrAMS aims to offer a more efficient, user-friendly, and flexible tool to award and manage grants and cooperative agreements. It seeks to provide more useful information, and will strengthen the integrity and consistency of our grants award and management process.

FTA has created a page on its Web site, *http://www.fta.dot.gov/TrAMS* to provide additional information and updates on our new grant making system. Individuals who would like access to this Web site should contact their FTA regional office for the password to use or send an email to *fta.trams@dot.gov*.

FTA will provide training and technical assistance on using TrAMS. Training will include live, hands-on workshops, where feasible, as well as training videos and guidance and technical assistance documents. More information on upcoming training will be posted at *http://www.fta.dot.gov/TrAMS*.

FTA also will migrate data, information, and attachments about current funding recipients and their awarded grants from TEAM into TrAMS and will provide grantees with the opportunity to verify that their organizations' information has been migrated successfully.

TrAMS, by design, collects and presents information contained in new grant applications differently than TEAM, which will make it difficult to migrate applications that have not yet been awarded by the end of FY 2014 into the new system. FTA will make a concerted effort to award all pending grant applications in TEAM by the end of FY 2014 and prior to TrAMS becoming available. However, recipients should be aware that grant applications must be in submitted status in TEAM by June 30, 2014 so that FTA has adequate time to award the grant by the end of FY 2014, when TrAMS is first expected to become operational. FTA cannot guarantee that applications not awarded in TEAM by the end of FY 2014 will be migrated into TrAMS. If an application is not migrated into the new system, the recipient will need to re-create their application in TrAMS in FY 2015.

In addition, in order to minimize the amount of data and information that needs to be migrated into TrAMS, FTA encourages its grantees to promptly close any awarded grants where funds are fully disbursed or where the grantees no longer plan to implement the projects funded in the grant. FTA grantees will be able to use TrAMS to manage active grants where work on the transit projects identified in the grant is ongoing. (These grants will be migrated from TEAM to TrAMS).

D. Flood Insurance

Recipients are reminded they need to maintain flood insurance for any building located in a special flood hazard area that received Federal financial assistance. Section 102 of the Flood Disaster Protection Act of 1973 (FDPA) prohibits the Federal government from providing funds for acquisition or construction of buildings located in a special flood hazard area (100-year flood zone) unless the owner of the property first has obtained flood insurance. FTA's Master Agreement and annual Certifications and Assurances reference FDPA and recipients agree they will have flood insurance for buildings in a special flood hazard area.

Specifically, Federal agencies may not provide any financial assistance for the acquisition, construction, reconstruction, repair, or improvement of a building unless the recipient has first acquired flood insurance under the National Flood Insurance Act to cover the buildings constructed or repaired with Federal funds. The Federal Emergency Management Agency (FEMA) has defined ''building'' in its regulations implementing the National Flood Insurance Program (NFIP) as ''a building with two or more outside rigid walls and a fully secured roof that is affixed to a permanent site.'' In addition, where structures are both above and below ground, the flood insurance requirement applies where at least 51 percent of the cash value of the structure, less land value, is above ground.

This flood insurance requirement applies to transit facilities such as maintenance facilities, storage facilities, and above-ground stations/terminals, as well as equipment and fixtures in the facilities. It does not apply to underground subway stations, track, tunnels, ferry docks, or to any transit assets outside of a special flood hazard area.

A covered structure must be insured through the NFIP or a comparable private policy. The policy must provide coverage at least equal to the project cost for which Federal assistance is provided, or to the maximum limit of coverage available under the National Flood Insurance Act (currently $500,000 for buildings and $500,000 for equipment and fixtures), whichever amount is less. Facilities owned by state governments may be self-insured, but only where FEMA has approved the state's self-insurance policy. Private entities, and public entities other than state governments, may not self-insure and must obtain a flood insurance policy before receiving Federal funds and maintain the policy subsequent to grant award.

E. New Common Rule

On December 26, 2013 the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A–102 and Circular A–110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A–21 or 2 CFR part 220; Circular A–87 or 2 CFR part 225; and A–122, 2 CFR part 230). Additionally it replaces Circular A–133 guidance on the Single Annual Audit.

For the most part 2 CFR Part 200 does not substantially change Administrative Requirements as experienced by FTA grantees. However, FTA will be working to update its guidance to ensure it is consistent with the new Common Rule. Until that time grantees should continue to follow FTA Circular 5010.1D, *''Grant Management Requirements''* as last revised on August 27, 2012.

IV. FY 2014 Program Specific Information

A. Metropolitan Planning Program (49 U.S.C. 5305(d))

Section 5305(d) authorizes Federal funding to support a cooperative, continuous, and comprehensive planning program for transportation investment decision-making at the metropolitan area level. The specific requirements of metropolitan transportation planning are set forth in 49 U.S.C. 5303 and further explained in 23 CFR Part 450, as incorporated by reference in 49 CFR Part 613, Statewide Transportation Planning; Metropolitan Transportation Planning; Final Rule. FTA apportions funds directly to State Departments of Transportation (DOTs). State DOTs then allocate the funds to Metropolitan Planning Organizations (MPOs), for planning activities that support the economic vitality of the metropolitan area.

MAP–21 requires that the metropolitan transportation planning process must provide for the establishment of a performance-based approach to decision-making. Upon publication of a final rule on the metropolitan transportation planning program, MPOs will be required to establish specific performance targets that address transportation system performance measures (to be issued by U.S. DOT), where applicable, to use in tracking progress towards attaining critical outcomes. These performance targets will be established by MPOs in coordination with States and transit providers. MPOs also will be required to provide a system performance report that evaluates their progress in meeting the performance targets in comparison with the system performance identified in prior reports.

This funding must support work elements and activities resulting in balanced and comprehensive intermodal transportation planning for the movement of people and goods in the metropolitan area. Comprehensive transportation planning is not limited to transit planning or surface transportation planning, but also encompasses the relationships among land use and all transportation modes, without regard to the programmatic source of Federal assistance. Eligible work elements or activities include, but are not limited to, studies relating to management, mobility management, planning, operations, capital requirements, and economic feasibility; evaluation of previously funded projects; peer reviews and exchanges of technical data, information, assistance, and related activities in support of planning and environmental analysis among MPOs and other transportation planners; work elements and related activities preliminary to and in preparation for constructing, acquiring, or improving the operation of facilities and equipment; and development of coordinated public transit human services transportation plans. An exhaustive list of eligible work activities is provided in FTA Circular 8100.1C, *Program Guidance for Metropolitan Planning and State Planning and Research Program Grants,* dated September 1, 2008. For more about the Metropolitan Planning Program, contact Victor Austin, Office of Planning and Environment at (202) 366–2996 or *victor.austin@dot.gov*.

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $106,543,360 for the Metropolitan Planning Program (section 5305(d)) to support metropolitan transportation planning activities set forth in section 5303. The total amount apportioned for the Metropolitan Planning Program to States for MPOs' use in urbanized areas (UZAs) is $106,570,979 as shown in the table below, after the deduction for oversight (authorized by section 5338) and including reapportioned funds.

METROPOLITAN PLANNING PROGRAM—FY 2014

Total Appropriation	$106,543,360
Oversight Deductions	−532,717
Reapportioned Funds	560,336
Total Apportioned	106,570,979

States' apportionments for this program are displayed in Table 2.

2. Basis for Allocation

Eighty percent of the funds are apportioned to the States based on the most recent decennial Census for each State's UZA population. The remaining 20 percent is provided to the States with UZAs with one million or more in population in order to address planning needs in larger, more complex UZAs.

3. Requirements

The State allocates Metropolitan Planning funds to MPOs in UZAs or portions thereof to provide funds for planning projects included in a one or two-year program of planning work activities (the Unified Planning Work Program, or UPWP). The UPWP includes multimodal systems planning activities spanning both highway and transit planning topics. Each State has either reaffirmed or developed, in consultation with their MPOs, an allocation formula among MPOs within the State, based on the 2010 Census. The allocation formula among MPOs in each State may be changed annually, but the FTA regional office must approve any change before grant award. Program guidance for the Metropolitan Planning Program is found in FTA Circular 8100.1C, *Program Guidance for Metropolitan Planning and State Planning and Research Program Grants,* dated September 1, 2008.

4. Period of Availability

The Metropolitan Planning program funds apportioned in this notice are available for obligation during FY 2014 plus three additional fiscal years. Accordingly, funds apportioned in FY 2014 must be obligated in grants by September 30, 2017. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2017, will revert to FTA for reapportionment under the Metropolitan Planning program.

B. State Planning and Research Program (49 U.S.C. 5305(e))

This program provides financial assistance to States for statewide transportation planning and other technical assistance activities, including supplementing the technical assistance program provided through the Metropolitan Planning program. The specific requirements of Statewide transportation planning are set forth in 49 U.S.C. 5304 and further explained in 23 CFR Part 450 as referenced in 49 CFR Part 613, Statewide Transportation Planning; Metropolitan Transportation Planning; Final Rule. This funding must support work elements and activities resulting in balanced and comprehensive intermodal transportation planning for the movement of people and goods. Comprehensive transportation planning is not limited to transit planning or surface transportation planning, but also encompasses the relationships among land use and all transportation modes, without regard to the programmatic source of Federal assistance. For more information, contact Victor Austin, Office of Planning and Environment at (202) 366–2996 or *victor.austin@dot.gov*.

1. FY 2014 Funding Availability

FY 2014 Appropriations provides a total of $22,256,640 for the State Planning and Research Program (section 5305(e)). The total amount apportioned for the State Planning and Research Program (SPRP) is $22,910,721 as shown in the table below, after the deduction for oversight (authorized by section 5338) and including reapportioned funds.

STATEWIDE PLANNING PROGRAM—FY 2014

Total Appropriation	$22,256,640
Oversight Deductions	−111,283
Reapportioned Funds	765,364
Total Apportioned	22,910,721

States' apportionments for this program are displayed in Table 2.

2. Basis for Allocation

FTA apportions funds to States by a statutory formula that is based on the most recent decennial Census data available, and the State's UZA population as compared to the UZA population of all States.

3. Requirements

Funds are provided to States for statewide transportation planning programs. These funds may be used for a variety of purposes such as planning, technical studies and assistance, demonstrations, and management training. In addition, a State may authorize a portion of these funds to be used to supplement Metropolitan Planning funds allocated by the State to its UZAs, as the State deems appropriate. Program guidance for the State Planning and Research program is found in FTA Circular 8100.1C, *Program Guidance for Metropolitan Planning and State Planning and Research Program Grants,* dated September 1, 2008.

MAP–21 requires that the statewide and non-metropolitan transportation planning process must provide for the establishment and use of a performance-based approach to decision-making. Upon publication of a final rule on the statewide and non-metropolitan transportation planning program, State Departments of Transportation will be required to establish specific performance targets that address transportation system performance measures (to be issued by U.S. DOT), where applicable, to use in tracking progress towards attaining critical outcomes. These performance targets will be established by States in coordination with MPOs and transit providers. States will be encouraged to provide a system performance report that evaluates their progress in meeting the performance targets in comparison with the system performance identified in prior reports.

4. Period of Availability

The State Planning and Research program funds apportioned in this notice are available for obligation during FY 2014 plus three additional fiscal years. Accordingly, funds apportioned in FY 2014 must be obligated in grants by September 30, 2017. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2017 will revert to FTA for reapportionment under the State Planning and Research program.

C. Urbanized Area Formula Program (49 U.S.C. 5307)

Section 5307 authorizes Federal assistance for capital, planning, job access and reverse commute projects, and, in some cases, operating assistance for public transportation in urbanized areas. An urbanized area (UZA) is an area with a population of 50,000 or more that has been defined and designated as such by the U.S. Census Bureau.

FTA calculates an apportionment amount for each UZA based on statutory formulas. For UZAs with populations of 200,000 or more, FTA apportions funds directly to one or more Designated Recipients, which are local or statewide agencies appointed by the Governor in accordance with sections 5303 and 5304, to receive and allocate section 5307 funds to eligible public transportation projects in the UZA. For UZAs with populations between 50,000 and 200,000, FTA apportions funds directly to the Governor for allocation to those areas in the State. Eligible funding recipients are limited to Designated Recipients and other local government authorities that a Designated Recipient authorizes to apply for the funds directly to FTA.

FTA published a revised FTA Circular 9030.1E, *Urbanized Area Formula Program: Program Guidance and Application Instructions* on January 16, 2014, incorporating changes resulting from MAP–21. This circular was made available for public comment prior to final publication, and the final circular incorporates and responds to comments received. This revised circular is in effect for all grants awarded after the date of its publication. The revised circular can be accessed at *www.fta.dot.gov/circulars.*

Recipients should be aware of several program clarifications and changes addressed in the circular, which were established by MAP–21 and took effect beginning in FY 2013. Changes include a new provision allowing operating assistance for transit agencies in UZAs over 200,000 in population that operate a maximum of 100 buses in fixed route service during peak service hours, the eligibility of job access and reverse commute projects, changes in the definition of ''capital project,'' expanded eligibility for sources of local match, and the replacement of ''transit enhancements'' with the ''associated transit improvements'' category. These and other changes, including clarifications on existing requirements under the program, are incorporated in the FTA Circular 9030.1E. For more information about the Urbanized Area Formula Program contact Adam Schildge, Office of Transit Programs, at (202) 366–0778 or *adam.schildge@dot.gov*.

1. FY 2014 Funding Availability

FY 2014 Appropriations provides a total of $4,458,650,000 for the Urbanized Area Formula Program (section 5307). The total amount apportioned to UZAs is $4,833,448,449, which includes the addition of amounts apportioned to UZAs pursuant to the section 5340 Growing States and High Density States Formula factors and reapportioned funds. This amount excludes the set-aside for the Passenger Ferry Discretionary Program, apportionments under the State Safety Oversight Program, and oversight (authorized by section 5338), as shown in the table below.

URBANIZED AREA FORMULA PROGRAM—FY 2014

Total Appropriation	[a] $4,458,650,000
Ferry Discretionary Program	−30,000,000
State Safety Oversight Program	−22,293,250
Oversight Deduction	−33,439,875
Section 5340 Funds Added	450,840,320
Reapportioned Funds	9,691,254
Total Apportioned	4,833,448,449

[a] Includes 1.5 percent set-aside for Small Transit Intensive Cities Formula.

Table 3 displays the amounts apportioned under the Urbanized Area Formula Program.

2. Basis for Allocation

Beginning in FY 2013 and continued in FY 2014, MAP–21 made several changes to the formula for this program. Specifically, section 5336(h) provides that 3.07 percent of section 5307 funds available for apportionment are allocated on the basis of low-income persons residing in UZAs, with 25 percent of these funds allocated to areas below 200,000 in population, and the remaining 75 percent allocated to areas 200,000 and over in population. MAP–21 also increased the percentage of funds allocated on the basis of Small Transit Intensive Cities (STIC) factors from 1 to 1.5 percent. Finally, MAP–21 established a new 0.5 percent takedown for a State Safety Oversight formula grant program. These funds are apportioned to States using a separate formula.

FTA apportions Urbanized Area Formula Program funds based on statutory formulas. Congress established four separate formulas that are used to apportion portions of the available funding: the section 5307 Urbanized Area Formula Program formula, the Small Transit Intensive Cities (STIC) formula, the Growing States and High Density States formula, and a formula based on low-income population. Additional information on these formulas is provided in the following subsections.

Consistent with prior apportionment notices, Table 3 shows a total section 5307 apportionment for each UZA, which includes amounts apportioned under each of these formulas. Detailed information about the formulas is provided in Table 4. For technical assistance purposes, the UZAs that receive STIC funds are listed in Table 6. FTA will provide breakouts of the funding allocated to each UZA under these formulas upon request to the FTA regional office.

i. Section 5307—Urbanized Area Formula

For UZAs between 50,000 and 199,999 in population, the section 5307 formula is based on population and population density. For UZAs with populations of 200,000 and more, the formula is based on a combination of bus revenue vehicle miles, bus passenger miles, bus operating costs, fixed guideway vehicle revenue miles, and fixed guideway route miles, as well as population and population density. The Urbanized Area Formula is defined in 49 U.S.C. 5336.

To calculate a UZA's FY 2014 apportionment, FTA used population and population density statistics from the 2010 Census and validated mileage and transit service data from transit providers' 2012 National Transit Database (NTD) Report Year (when applicable). Consistent with section 5336(b), FTA has included 22.27 percent of the fixed guideway directional route miles and vehicle revenue miles from eligible UZA transit systems, but which were attributable to rural areas outside of the UZAs from which the system receives funds. Data from public transportation subrecipients in the Rural Module of the NTD that were identified by FTA staff as having been located in rural areas following the 2000 Census, but are now located in UZAs over 200,000 (large UZAs) in population following the 2010 Census, were also included in this apportionment, and were not included in the apportionment for the Rural Areas Formula Program. These systems will be identified in the supplementary data tables accompanying the apportionment data tables. This was not done for subrecipients now located in UZAs under 200,000 in population (small UZAs) following the 2010 Census. Data for these systems were included in the apportionment for the Rural Areas Formula Program.

FTA has calculated dollar unit values for the formula factors used in the Urbanized Area Formula Program apportionment calculations. These values represent the amount of money each unit of a factor is worth in this year's apportionment. The unit values change each year, based on all of the data used to calculate the apportionments, as well as the amount appropriated by Congress. The dollar unit values for FY 2014 are displayed in Table 5. To replicate the basic formula component of a UZA's apportionment, multiply the dollar unit value by the appropriate formula factor (i.e., the population, population x population density), and when applicable, data from the NTD (i.e., route miles, vehicle revenue miles, passenger miles, and operating cost).

ii. Small Transit Intensive Cities Formula

Under the STIC formula, FTA apportions funds to UZAs under 200,000 in population that have public transportation service that operates at a level equal to or above the industry average for all UZAs with a population of at least 200,000, but not more than 999,999. STIC funds are apportioned on the basis of one or more of six performance categories: passenger miles traveled per vehicle revenue mile, passenger miles traveled per vehicle revenue hour, vehicle revenue miles per capita, vehicle revenue hours per capita, passenger miles traveled per capita, and passengers per capita.

The data used to determine a UZA's eligibility under the STIC formula and to calculate the STIC apportionments was obtained from the NTD reports for the 2012 reporting year. Because performance data change with each year's NTD reports, the UZAs eligible for STIC funds and the amount each receives may vary each year. UZAs that received funding through the STIC formula for FY 2014 are listed in Table 6.

iii. Section 5340—Growing States and High Density States Formula

FTA also apportions funds to qualifying UZAs and States according to the section 5340 Growing States and High Density States formula. Half of the funds appropriated for section 5340 are apportioned to Growing States and half to High Density States. More information on this program and its formula is found in Section IV.R. of this notice.

iv. Low-Income Population

Beginning in FY 2013 and continued in FY 2014, the formula for this program includes a formula factor for low-income population. Of the amount authorized and appropriated for the Urbanized Area Formula Program in each year, 3.07 percent is apportioned on the basis of low income population.

3. Requirements

Program guidance for the Urbanized Area Formula Program is found in FTA Circular *9030.1E, Urbanized Area Formula Program: Program Guidance and Application Instructions,* dated January 16, 2014, and is supplemented by additional information and changes provided in this notice and that may be posted to the section 5307 Web page. Grantees should also review the **Federal**

Register notice that accompanied the revised circular for specific areas that may have changed in response to comments.

4. Period of Availability

Section 5307 funds are available for a period of six years (year of apportionment plus five additional years). Accordingly, 5307 funds apportioned in FY 2014 must be obligated in grants by September 30, 2019. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2019 will revert to FTA for reapportionment under the Urbanized Area Formula Program. Grantees are encouraged to obligate funds when projects are ready and not wait until the last year the funds are available.

5. Other Program Information

i. Allocating Funds to Small Urbanized Areas and Designated Recipients

Prior to issuing its FY 2012 Apportionments, Allocations and Program Information Notice, FTA considered whether the Governor of a State could allocate formula fund apportionments to small UZAs located within or designated as Transportation Management Areas (TMAs) that are different from the allocations FTA publishes. FTA determined that the Governor had such discretion and the FY 2012 Apportionments Notice included language indicating that determination. (See *http://www.gpo.gov/fdsys/pkg/FR-2012-01-11/pdf/2012-249.pdf*).

Before the enactment of MAP–21, the Urbanized Area Formula Grant program at 49 U.S.C. 5307(a)(2) defined a ''designated recipient'' as an entity designated, in accordance with the planning process under sections 5303, 5304, and 5306, by the chief executive officer of a State, responsible local officials, and publicly owned operators of public transportation, to receive and apportion amounts under section 5336 that are attributable to transportation management areas identified under section 5303; or a State or regional authority if the authority is responsible under the laws of a State for a capital project and for financing and directly providing public transportation. The reference to TMAs in section 5307(a)(2) was directed at areas with 200,000 or more in population (large UZAs) identified by the Census Bureau. FTA did not interpret the reference to include areas under 200,000 in population, which the Secretary designated as TMAs at the request of the Governor and the Metropolitan Planning Organization (MPO). Such designations are for planning purposes only.

MAP–21 moved the definition of ''designated recipient'' to 49 U.S.C. 5302, which is the section that defines terms applicable to all of chapter 53 unless specifically provided otherwise in a particular section of that chapter. The term ''designated recipient'' as defined in section 5302(4) applies to section 5307, 5337, 5539, except that for purposes of section 5339, only designated recipients that operate fixed route bus service or that allocate funding to fixed route bus operators are eligible recipients. In addition, MAP–21 struck the term ''transportation management areas'' from the definition of ''designated recipient.'' Currently, section 5302(4) defines a ''designated recipient'' as an entity designated, in accordance with the planning process under section 5303 and 5304, by the Governor of a State, responsible local officials, and publicly owned operators of public transportation, to receive and apportion amounts under section 5336 to urbanized areas of 200,000 or more in population; or a State or regional authority, if the authority is responsible under the laws of a State for a capital project and for financing and directly providing public transportation. While legislative history fails to explain the change, it clearly supports FTA's earlier determination. Thus, consistent with the definition of ''designated recipient,'' FTA apportions funds according to the formula under section 5336 to designated recipients in UZAs of 200,000 or more in populations (large UZAs) and to the Governor of the State for UZAs of less than 200,000 in population (small UZAs). Pursuant to section 5336(e), the Governor of the State may allocate apportionments among the small UZAs. FTA interprets the legislation to allow a Governor to do so regardless of whether a small UZA has been designated as a TMA. FTA can make grants under this program to direct recipients after sub-allocation of funds.

ii. State Safety Oversight funding

As mentioned above, under MAP–21 there is a 0.5 percent take-down from the section 5307 Urbanized Area program that has been made available to States for State Safety Oversight (SSO) program activities as authorized under 49 U.S.C. 5329. More information about this program funding will be provided in a separate **Federal Register** notice.

iii. National Transit Database Reporting

Section 5335 requires that each recipient or beneficiary under the section 5307 program submit an annual report to the NTD containing information on financial, operating, and asset condition information. Annual NTD reports should be full reports of all transit activities, regardless of funding source. For the 2013 Report Year, which lasts from October 2013 through July 2014, the reporting requirements apply to any recipient of a section 5307 grant obligation in 2012, any recipient of a section 5307 grant outlay in 2013, or any entity that continued to benefit in 2013 from capital assets purchased using section 5307 grants. Also, grantees that received section 5307 grants in prior years, and which anticipate receiving section 5307 grants in future years, should also continue to report to the NTD. Recipients or beneficiaries of section 5307 grants that do not operate transit service, either directly or through a contract for purchased transportation services, are still required to report to the NTD on capital and planning expenditures, but have significantly reduced reporting requirements. Recipients or beneficiaries of section 5307 grants that operate 30 or fewer vehicles in maximum service across all transit modes are also eligible for reduced, ''Small Systems'' reporting requirements. Recipients or beneficiaries making full annual reports to the NTD are also subject to monthly reporting requirements on service operations and safety incidents. MAP–21 also established new requirements for reporting asset inventories and condition assessments to FTA at section 5326(b)(3), 5335(a), and 5335(c). FTA will propose guidance for implementing these requirements in a future notice in the **Federal Register**. The NTD Reporting Manuals contains detailed reporting instructions and are posted on the NTD Web site, *www.ntdprogram.gov.*

iv. Definition of a Clean Fuel Vehicle

In the **Federal Register** notice dated January 16, 2014 that announced the publication of *FTA Circular 9030.1E,* FTA incorrectly described the reason that the term ''biodiesel'' was removed from the definition of ''Clean Fuel Vehicle''. This term was removed because biodiesel is an alternative fuel capable of running in a standard clean diesel vehicle, not because biodiesel is not a type of clean fuel.

D. Fixed Guideway Capital Investment Grant (CIG) Program (49 U.S.C. 5309)—New and Small Starts and Core Capacity

The Fixed Guideway Capital Investment Grant (CIG) Program provides funds for construction of new fixed guideway systems or extensions to existing fixed guideway systems and, as amended by MAP 21, projects that will expand the core capacity of an existing fixed guideway corridor. Eligible projects are new fixed-guideway systems, such as rapid rail (heavy rail), commuter rail, light rail, hybrid rail, trolleybus (using overhead catenary), cable car, passenger ferries, and bus rapid transit, or an extension of any of these. The Small Starts program also includes corridor-based bus rapid transit projects that do not operate on a separate fixed guideway but include features that emulate the services provided by rail fixed guideway including defined stations, traffic signal priority for public transit vehicles, and short headway bi-directional services for a substantial part of weekdays and weekend days. The addition of Core Capacity eligibility under the program provides funds for substantial, corridor-based investments in existing fixed guideway systems that are at capacity today or will be in five years. Core Capacity Improvement projects must increase the capacity of the existing fixed guideway system in the corridor by at least 10 percent. Projects become candidates for funding under this program by successfully completing steps in the process defined in section 5309 and obtaining a satisfactory rating under the statutorily-defined criteria. For New Starts and Core Capacity Improvement projects, the steps in the process include project development, engineering, and construction. For Small Starts projects the steps in the process include project development and construction. New Starts and Core Capacity Improvement projects receive construction funds from the program through a full funding grant agreement (FFGA) that defines the scope of the project and specifies the total multi-year Federal commitment to the project. Small Starts projects receive construction funds through a single year grant or a Small Starts Grant Agreement (SSGA) that defines the scope of the project and specifies the Federal commitment to the project. For more information about the New or Small Starts or Core Capacity project development process or evaluation and rating process contact Elizabeth Day, Office of Planning and Environment, at (202) 366–4033 or *Elizabeth.day@dot.gov*, or for information about published allocations contact Eric Hu, Office of Transit Programs, at (202) 366–0870 or *eric.hu@dot.gov*.

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $1,942,938,000 for the section 5309 program. The total amount available for allocation is $1,923,508,620, after the one percent deduction for oversight, as shown in the table below.

FIXED GUIDEWAY CAPITAL INVESTMENT PROGRAM—FY 2014

Total Appropriation	$1,942,938,000
Oversight Deductions	−19,429,380
Total Available	1,923,508,620

As noted in Section II.D.3 of this notice, the FY 2014 Appropriations permitted the use of prior year unobligated balances to be used to fulfill the funding recommendations published in the FY 2014 *Annual Report on Funding Recommendations for CIG Program* on April 12, 2013. These funds combined with those shown above have been allocated for projects shown in Table 7.

2. Basis for Allocation

Funds are allocated on a discretionary basis and subject to program evaluation.

3. Requirements

In January 2013, FTA published a final rule explaining the MAP–21 evaluation and rating process for New and Small Starts projects, which became effective in April 2013. Additionally, FTA published corresponding final policy guidance in August 2013 that provides additional details and explanations on that process. FTA will be completing additional rulemaking and guidance documents related to the remainder of the section 5309 MAP–21 provisions, including: getting into and through the steps in the New Starts and Small Starts process; the evaluation and rating process for the Core Capacity Improvement program; getting into and through the steps in the Core Capacity process; warrants; expedited technical capacity reviews; and Programs of Inter-Related Projects. Project sponsors should reference the FTA Web site at *www.fta.dot.gov* for the most current fixed guideway capital investment grant program information. Grant-related guidance is found in FTA Circular 9300.1B, *Capital Investment Program Guidance and Application Instructions,* November 1, 2008; and C5200.1A, *Full Funding Grant Agreement Guidance,* December 5, 2002, which will be updated in the future to incorporate the changes made by MAP–21.

4. Period of Availability

MAP–21 expanded the period of availability for section 5309 capital investment funds to five years, (the fiscal year in which the amount is made available plus four additional years). Therefore, funds for a project identified in FY 2014 must be obligated for the project by September 30, 2018. Section 5309 funds that remain unobligated to the projects for which they originally were designated after five fiscal years may be made available for other section 5309 projects. Grantees are encouraged to obligate funds when projects are ready and not wait until the last year the funds are available.

E. Enhanced Mobility of Seniors and Individuals With Disabilities Program (49 U.S.C. 5310)

The Enhanced Mobility of Seniors and Individuals with Disabilities Program provides formula funding to States and Designated Recipients of large UZAs (areas with populations of 200,000 or more) to improve mobility for seniors and individuals with disabilities. This program provides funds for: (1) public transportation capital projects planned, designed, and carried out to meet the special needs of seniors and people with disabilities when public transportation is insufficient, unavailable, or inappropriate; (2) public transportation projects that exceed the requirements of the Americans with Disabilities Act (ADA) of 1990; (3) public transportation projects that improve access to fixed route service and decrease reliance by people with disabilities on complementary paratransit; and (4) alternatives to public transportation that assist seniors and individuals with disabilities with transportation.

Starting in FY 2013 and continued in FY 2014, FTA apportions funds specifically for large UZAs, small UZAs (areas under 200,000 in population) and rural areas (areas under 50,000 in population) and requires new designations in large UZAs. Additionally, MAP–21 expanded the eligibility provisions to include operating expenses.

On July 11, 2013, FTA published the proposed circular, FTA C 9070.1G, *Enhanced Mobility of Seniors and Individuals with Disabilities: Program Guidance and Application Instructions,* for notice and comment. FTA is in the process of responding to comments and anticipates publishing the final circular in spring 2014. Until then, grantees can utilize the existing circulars for the former 5310 program and repealed 5317 program combined with the interim guidance published in in the **Federal Register** on October 16, 2012 (See 77 FR 63669) to implement this program.

For more information about the Enhanced Mobility of Seniors and Individuals with Disabilities Program, contact Gil Williams, Office of Transit Programs, at (202) 366–0797 or *gilbert.williams@dot.gov.*

1. FY 2014 Funding Availability

FY 2014 Appropriations provides a total of $258,300,000 for the section 5310 program. The total amount apportioned to States and UZAs for the section 5310 program is $257,464,692, after the deduction for oversight (authorized by section 5338) and including reapportioned funds, as shown below in the table.

ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES PROGRAM—FY 2014

Total Appropriation	$258,300,000
Oversight Deductions	−1,291,500
Reapportioned Funds	456,192
Total Apportioned	257,464,692

Table 8 displays the amounts apportioned under the Enhanced Mobility of Seniors and Individuals with Disabilities Program.

2. Basis for Allocation

Based on the statutory formula, sixty percent of the funds are apportioned among Designated Recipients for large UZAs; twenty percent of the funds are apportioned among the States for their small UZAs; and twenty percent of the funds are apportioned among the States for their rural areas.

3. Requirements

i. Designated Recipients

For small UZAs and rural areas, the State is the Designated Recipient for section 5310. Current 5310 designations remain in effect until changed by the Governor of a State by officially notifying the appropriate FTA regional administrator of re-designation.

In large UZAs, the recipient charged with administering the section 5310 program must be officially designated through a process consistent with sections 5303 and 5304 prior to grant award. The MPO, State, or another public agency may be a preferred choice based on local circumstances. The designation of a recipient shall be made by the Governor in consultation with responsible local officials and publicly owned operators of public transportation, as required in sections 5303 and 5304. Section 5310 funds cannot be awarded until this designation is on file with the FTA Regional office. A State agency could be the Designated Recipient for section 5310 funds for a large UZA. However, if the State is selected as the Designated Recipient in a large UZA, the apportioned funds for the large UZA must be allocated to eligible subrecipients within the UZA.

Designated Recipients are responsible for administering the program. Responsibilities include: notifying eligible local entities of funding availability; developing project selection processes; determining project eligibility; developing the program of projects; obligating and managing the program funds; program reporting; and ensuring that all subrecipients comply with Federal requirements.

Although FTA will only award grants to the States and Designated Recipients for the program, there are other entities eligible to receive funding as a subrecipient. These include private nonprofit agencies, public bodies approved by the state to coordinate services for elderly persons and persons with disabilities, or public bodies which certify to the Governor that no nonprofit corporations or associations are readily available in an area to provide the service.

ii. Eligible Expenses

MAP–21 expands eligibility of the funds, permitting them to be used for operating, in addition to capital, for transportation services that address the needs of seniors and individuals with disabilities. However, not less than 55 percent of the funds available for this program must be used for capital projects planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable). FTA refers to these projects as ''traditional 5310'' projects and based on the statutory language, these projects must be carried out by the traditional 5310 subrecipients, which are non-profits, or a State or local governmental authority that is approved by a State to coordinate services for seniors and individuals with disabilities, or certifies that there are no non-profit organizations readily available in the area to provide the service. The 55 percent is a floor. Recipients may use more or all of their section 5310 funds for these types of projects. Remaining funds may be used for operating or capital projects such as: Public transportation projects that exceed the requirements of the ADA; public transportation projects that improve access to fixed-route service and decrease reliance by individuals with disabilities on complementary paratransit; or alternatives to public transportation that assist seniors and individuals with disabilities. Eligible subrecipients for these other eligible section 5310 activities include a State or local governmental authority, a private non-profit organization, or an operator of public transportation that receives a section 5310 grant indirectly through a recipient. The acquisition of public transportation services remains an eligible capital expense under this section.

States and Designated Recipients may use up to ten percent of their annual apportionment to administer, plan, and provide technical assistance for a funded project. No local share is required for these program administrative funds.

For more guidance, until FTA revises the section 5310 circular, recipients may use FTA Circular 9070.1F, *Elderly Individuals and Individuals with Disabilities Program Guidance and Application Instructions,* dated May 1, 2007 for 5310 projects and FTA Circular 9045.1, *New Freedom Program Guidance and Application Instructions,* dated May 1, 2007 for New Freedom-like projects.

iii. Local Match

The matching requirements for this program remain the same; capital assistance is provided on an 80 percent Federal share, 20 percent local share. Operating assistance requires a 50 percent match. One difference to note, however, is that MAP–21 eliminated the provision for the sliding scale match under FHWA programs to be used in this program. Funds provided under other Federal programs (other than those of the Department of Transportation, with the exception of the Federal Lands Transportation Program and Tribal Transportation Program established by sections 202 and 203 of title 23 U.S.C.) may be used for local match under section 5310, as can revenue from service contracts.

iv. Planning and Consultation

The States and Designated Recipients must certify that: Projects selected for funding under this program are included in a locally developed, coordinated public transit-human services transportation plan; and the plan was developed and approved through a process that included participation by seniors, individuals with disabilities, representatives of public, private, nonprofit transportation and human services providers, and other members of the public. Although the requirement for a coordinated plan is not new, FTA recognizes that some large UZAs may need to modify existing coordinated plans to address the specific needs of the program's target populations and/or be approved by individuals from the target populations. Modifications to existing programs are acceptable. For areas where a coordinated plan does not exist, FTA requires the following elements, at a minimum, be included in the plans:

a. An assessment of available services that identifies current transportation providers (public, private, and nonprofit);

b. An assessment of transportation needs for individuals with disabilities and seniors;

c. Strategies, activities, and/or projects to address the identified gaps between current services and needs, as well as opportunities to achieve efficiencies in service delivery; and,

d. Priorities for implementation based on resources (from multiple program sources), time, and feasibility for implementing specific strategies and/or activities identified.

Additionally, the plan must be developed and approved with representation from seniors, individuals with disabilities, representatives of public, private, nonprofit transportation and human services providers, and other members of the public.

Similar to how FTA treated this requirement under SAFETEA–LU programs, recipients are not required to submit the coordinated plans to FTA. Recipients must certify, however, that projects were selected from this process and must make reference to the plan in the program of projects, which is described below. Additional guidance for developing coordinated plans can be found in Chapter V of the FTA Circular 9070.1F, *Elderly Individuals and Individuals with Disabilities Program Guidance and Application Instructions,* dated May 1, 2007.

v. State and Project Management Plans

FTA will require States and Designated Recipients responsible for implementing the section 5310 program to document their approach to managing the program in a Program Management Plan (PMP) or State Management Plan (SMP). States may need to update their SMP to reflect MAP–21 changes. For large UZAs, the Designated Recipient will be required to submit a PMP to the regional office prior to grant award. For assistance with developing these plans, recipients can use Chapter VII of the FTA Circular 9070.1F, *Elderly Individuals and Individuals with Disabilities Program Guidance and Application Instructions,* dated May 1, 2007. This chapter includes guidance on how to create and use SMP and can be used as a guide to develop a PMP for the large UZAs. The primary purposes of management plans are to serve as the basis for FTA management reviews of the program, and to provide public information on the administration of the programs.

vi. Program of Projects (POP)

Designated Recipients are required to develop a Program of Projects (POP) with the grant application and submit it to the FTA regional office. The POP should be developed with respect to the coordinated plan, long range plan, and the transportation improvement plan. For additional guidance in developing the required POP, recipients can use Chapter IV of the FTA Circular 9070.1F, *Elderly Individuals and Individuals With Disabilities Program Guidance and Application Instructions,* dated May 1, 2007.

4. Period of Availability

For Enhanced Mobility of Seniors and Individuals with Disabilities Program funds apportioned under this notice, FTA has administratively set the period of availability to three years, which includes the year of apportionment plus two additional years. Accordingly, funds apportioned in FY 2014 must be obligated in grants by September 30, 2016. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2016 will revert to FTA for reapportionment among the States and UZAs.

5. Other Program Information

States may transfer rural or small UZA funds. The State may transfer apportioned funds between small UZAs and the rural areas if it can certify that the needs are being met in the area to which the funds were originally apportioned. The State can transfer the funds apportioned for rural and small UZAs to any area within the state if a statewide program for this section is established. States must submit transfer requests to the regional office staff, who then coordinate with Headquarters program and budget offices to approve and record the transfer. There are no administrative or statutory provisions to permit transferring section 5310 funds to other FTA programs nor is there a provision for large UZAs to transfer their funds to the State. Funds apportioned to the large UZA must be used in the large UZA, regardless of who may be the Designated Recipient.

Multiple areas apportionments' can be combined in a single grant. However, unless transferred in accordance with the provisions above, the funds must be obligated and expended in the respective area to which the funds were apportioned. For example, rural area apportionments, must be obligated and expended for projects located in rural areas, small UZA funds must be obligated and expended in a corresponding small UZA.

MAP–21 requires FTA to establish performance measures for the program, which FTA initially sought comment on during the publication of the proposed program circular. Based on comments received to date, FTA is planning to launch an electronic dialogue to further engage program stakeholders, particularly the non-profit community, to further discuss and define performance measures for the program. This dialogue is expected to be launched in spring 2014.

F. Rural Area Formula Program (49 U.S.C. 5311)

The Rural Areas program provides formula funding to States and Indian tribes for the purpose of supporting public transportation in areas with a population of less than 50,000 (rural areas). Funding may be used for capital, operating, planning, job access and reverse commute projects, and State administration expenses. Eligible sub-recipients include State and local governmental authorities, Indian Tribes, private non-profit organizations, and private operators of public transportation services, including intercity bus companies. Indian Tribes are also eligible direct recipients under section 5311, both for funds apportioned to the States and for projects apportioned or selected to be funded with funds set aside for a separate Tribal Transit Program.

Under MAP–21, the changes to this program included changes to the formula, eligibility, and to the set-asides that support other rural transit programs within this section, such as the Tribal Transit Program. These changes were described in the proposed circular, FTA C 9040.1G, *Formula Grants for Rural Areas: Program Guidance and Application Instructions,* which FTA published for notice and comment on September 26, 2013. FTA is in the process of responding to comments and anticipates publishing the final circular in spring 2014. Until then, grantees can utilize the existing circular for the former 5311 program combined with the interim guidance published in the **Federal Register** on October 16, 2012 (See 77 FR 63669) to implement this program.

For more information about the Formula Grants for Rural Areas program, contact Lorna Wilson, Office of Transit Programs, at (202) 366–0893 or *lorna.wilson@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides $607,800,000 for the section 5311 program. The total amount apportioned to the States for the section 5311 program is $618,401,446, after the deductions for the Rural Transportation Assistance Program (RTAP), oversight (authorized by section 5338), the Tribal Transit Program, the Appalachian Development Public Transportation Assistance Program, and the addition of section 5340 for Growing States and reapportioned funds, as shown in the table below.

FORMULA GRANTS FOR RURAL AREAS PROGRAM—FY 2014

Total Appropriation	$607,800,000
Oversight Deductions	−3,039,000
RTAP Takedown	−12,156,000
Tribal Takedown	−30,000,000
Appalachian Takedown	−20,000,000
Section 5340 Funds	75,059,680
Reapportioned Funds	736,766
Total Apportioned	618,401,446

Table 9 displays the amounts apportioned to the States under the Formula Grants for Rural Areas Program.

2. Basis for Allocation

MAP–21 modified the formula for the Rural Areas Program. The majority of rural formula funds (83.15 percent) are apportioned based on land area and population factors. In this first tier, no State may receive more than 5 percent of the amount apportioned on the basis of land area. The remaining rural formula funds (16.85 percent) are apportioned based on land area, vehicle revenue miles, and low-income individual factors. Vehicle revenue miles are a new service factor and the low-income individual factor reflects that job access and reverse commute projects are now eligible under the program. In this second tier, no State may receive more than 5 percent of the amount apportioned on the basis of land area, or more than 5 percent of the amounts apportioned for vehicle revenue miles. In addition to funds made available under section 5311, FTA adds amounts apportioned based on rural population according to the growing States formula factors of 49 U.S.C. 5340 to the amounts apportioned to the States under the section 5311 formula.

Data from the Rural Module of the National Transit Database (NTD) 2012 Report Year was used for this apportionment, including data from directly-reporting Indian tribes.

Section 5311 program includes three takedowns: the Appalachian Development Public Transportation Assistance Program (ADTAP); the Rural Transit Assistance Program (RTAP); and the Tribal Transit Program. These separate programs are described in the sections that follow.

3. Requirements

The section 5311 program provides funding for capital, operating, planning, job access and reverse commute projects, and administration expenses for public transit service in rural areas. The planning activities undertaken with section 5311 funds are in addition to those awarded to the State under section 5305 and must be used specifically for rural areas' needs. States may elect to use 10 percent of their apportionment at 100 percent federal share to administer the section 5311 program and provide technical assistance to subrecipients. Technical assistance includes project planning, program and management development, public transportation coordination activities, and research the State considers appropriate to promote effective delivery of public transportation to rural areas.

The Federal share for capital assistance is 80 percent and for operating assistance is 50 percent, except that States eligible for the sliding scale match under FHWA programs may use that match ratio for section 5311 capital projects and 62.5 percent of the sliding scale capital match ratio for operating projects.

Each State prepares an annual program of projects, which must provide for fair and equitable distribution of funds within the States, including Indian reservations, and must provide for maximum feasible coordination with transportation services assisted by other Federal sources.

Additional program guidance for the Rural Areas Program is found in FTA Circular 9040.1F, *Nonurbanized Area Formula Program Guidance and Grant Application Instructions,* dated April 1, 2007, and is supplemented by additional information and changes provided in the interim guidance published in the **Federal Register** on October 16, 2012 (See 77 FR 63669) and that may be posted to FTA's section 5311 Web page. FTA is in the process of updating the program circular to incorporate changes resulting from MAP–21. All subrecipients of 5311 funding are expected to comply with the requirements found in the program circular.

4. Period of Availability

FTA is continuing to apply the period of availability of funds established under SAFETEA–LU, which is three years; this includes the year of apportionment plus two additional years. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2016 will revert to FTA for reapportionment under the Formula Grants to Rural Areas Program.

5. Other Program Information

i. National Transit Database (NTD) Reporting

Section 5335 requires that each recipient or beneficiary under the section 5311 program submit an annual report to the NTD containing information on capital investments, operations, and service. Section 5311(b)(4) specifies that the report shall include information on total annual revenue, sources of revenue, total annual operating costs, total annual capital costs, fleet size and type, and related facilities, revenue vehicle miles, and ridership. Annual NTD reports should be a complete report of all transit activities, regardless of funding source. State or Territorial DOT 5311 grant recipients must complete a one-page form of basic data for each 5311 sub-recipient, unless the sub-recipient is already providing a full report to the NTD as a Tribal Transit direct recipient or as an UZA reporter (without receiving a full reporting waiver). For the 2013 Report Year, which lasts from October 2013 through July 2014, State or Territorial DOTs must report on behalf of any sub-recipient receiving section 5311 grants in 2013, or that continued to benefit in 2013 from capital assets purchased using section 5311 grants. State or Territorial DOTs should also continue to report on behalf of any sub-recipients that received section 5311 grants in prior years, and which anticipate receiving section 5311 grants in future years. Tribal Transit direct recipients must report if they obligated a grant in 2013, or if they expended funds from a section 5311 grant in 2013, or if they continued to benefit in 2013 from capital assets using section 5311 grants, unless the Tribe is already filing a full NTD Report as an UZA reporter or unless the Tribe has only received $50,000 or less in planning grants. MAP–21 also established new requirements for reporting asset inventories and condition assessments to FTA at sections 5326(b)(3), 5335(a), and 5335(c). FTA grantees and sub-recipients should look for a future **Federal Register** Notice with proposed changes to the FTA's NTD Reporting Manual for more information and an opportunity to comment on FTA's implementation of these new statutory requirements.

G. Rural Transportation Assistance Program (49 U.S.C. 5311(b)(2))

This program provides funding to assist in the design and implementation of training and technical assistance projects, research, and other support services tailored to meet the needs of transit operators in rural areas. For more information about the Rural Transportation Assistance Program (RTAP) contact *Lorna Wilson, Office of Transit Programs, at (202) 366–0893 or lorna.wilson@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides $12,156,000 for the section 5311 RTAP Program. Of this amount, 15 percent, or $1,823,400, is available for the National RTAP program. The remainder plus any reapportioned funds are allocated to the States, as shown below.

RURAL TRANSPORTATION ASSISTANCE PROGRAM—FY 2014

Total Appropriation	$12,156,000
National RTAP	−1,823,400
Reapportioned Funds	281,743
Total Apportioned	10,614,343

Table 12 shows the FY 2014 RTAP allocations to the States.

2. Basis for Allocation

FTA allocates funds to the States by an administrative formula. First, FTA allocates $65,000 to each State ($10,000 to territories), and then allocates the balance based on rural population in the 2010 Census.

3. Requirements

States may use the funds to undertake research, training, technical assistance, and other support services to meet the needs of transit operators in rural areas. These funds are to be used in conjunction with a State's administration of the Rural Areas Formula Program, but also may support the rural components of the section 5310 program.

4. Period of Availability

The section 5311 RTAP funds apportioned in this notice are available for obligation in FY 2014 plus two additional years, consistent with that established for the section 5311 program. Any funds that remain unobligated on September 30, 2016 will revert to FTA for apportionment under the program.

5. Other Program Information

The National RTAP project is administered by cooperative agreement and re-competed at five-year intervals. FY 2013 marks the fifth year of the current agreement and FTA published a Request for Proposals on December 26, 2013, which closed on February 10, 2014. Results of this competition will be announced in FY 2014. The National RTAP projects are guided by a project review board that consists of managers of rural transit systems and State DOT RTAP programs. National RTAP resources also support the biennial TRB National Conference on Rural Public and Intercity Bus Transportation and other research and technical assistance projects of a national scope. The next TRB National Conference on Rural and Intercity Bus Transportation is scheduled for October 26–29, 2014 in Monterey, CA. More information can be found here: *http://www.ribtc.org/*.

H. Appalachian Development Public Transportation Assistance Program (49 U.S.C. 5311(c)(2))

MAP–21 established this new program as a take-down under the section 5311 program to provide additional funding to support public transportation in the Appalachian region. There are sixteen eligible States that receive an allocation under this provision. The States and their allocation are shown in the Rural Areas Formula program table posted on FTA's Web site under the FY 2014 Apportionments page. For more information about the Appalachian Development Public Transportation Assistance Program (ADTAP), contact Lorna Wilson, Office of Transit Programs, at (202) 366–0893 or *lorna.wilson@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides $20,000,000 for the ADTAP, as shown below.

APPALACHIAN DEVELOPMENT PUBLIC TRANSPORTATION ASSISTANCE PROGRAM—FY 2014

Total Appropriation	$20,000,000
Total Apportioned	20,000,000

2. Basis for Allocation

FTA apportions the funds using percentages established under section 9.5(b) of the Appalachian Regional Commission Code (subtitle IV of title 40). According to this provision, allocations will be based in general on each State's remaining estimated need to complete eligible sections of the Appalachian Development Highway System as determined from the latest percentages of available cost estimates for completion of the System. Such cost estimates shall be produced at approximate five year intervals. Allocations shall contain upper and lower limits in amounts or to be determined by the Commission and shall be made in accordance with legislation.

3. Requirements

Funds apportioned under this program can be used for purposes consistent with section 5311 to support public transportation in the Appalachian region. Funds can be applied for in the State's annual section 5311 grant.

MAP–21 includes a provision that permits the use of Appalachian program funds that cannot be used for operating to be used for a highway project under certain circumstances. FTA will issue guidance in the final circular on how to accomplish a transfer. States should contact their regional office if they intend to request a transfer.

4. Period of Availability

Section 5311 Appalachian program funds are available for three years, which includes the year of apportionment plus two additional years, consistent with that established for the section 5311 program. Funds that remain unobligated on September 30, 2016 will revert to FTA for reallocation.

I. Public Transportation on Indian Reservations Program (49 U.S.C. 5311)

The Public Transportation on Indian Reservations Program (Tribal Transit Program) is a takedown from the section 5311 apportionment, which allocates funds by both statutory formula consistent with 5311(j) and through a competitive discretionary program consistent with section 5311(c)(1)(A). The Tribal Transit formula funds are apportioned to Indian tribes for any purpose eligible under section 5311, which includes capital, operating, planning, job access and reverse commute projects, and administrative assistance for rural public transit services and rural intercity bus service. Eligible direct recipients are federally recognized Indian tribes in rural areas. During FY 2013, FTA consulted with Tribal recipients and stakeholders to implement program requirements, apportion the FY 2013 formula funds, and issue a Notice of Funding Availability for the FY 2013 discretionary funds. For more information about the Tribal Transit Program contact Elan Flippin, Office of Transit Programs at (202) 366–3800 or *elan.flippin@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides $30,000,000 for the program, of which $25,000,000 is apportioned by formula and $5,000,000 will be allocated through a competitive discretionary program. FTA expects to publish a Notice of Funding Availability (NOFA) for FY 2014 funding in the spring of 2014.

PUBLIC TRANSPORTATION ON INDIAN RESERVATIONS PROGRAM—FY 2014

Total Appropriation	$30,000,000
Total Appropriated to Tribes by Formula	−25,000,000
Total Available for Discretionary Allocation	5,000,000
Plus Reapportioned Funds	[a] 55,813
Total Available for Discretionary Allocation	5,055,813

[a] The reapportioned funds available in FY 2014 are Tribal Transit funds that were previously allocated through the competitive process and were not obligated by the lapse date. FTA intends to make these available for the FY 2014 discretionary competition. In the future, if formula funds lapse, those funds will be reapportioned in the formula apportionment.

2. Basis for Allocation

The majority of the funding is allocated by formula, as described below. The remainder of the appropriation plus prior year discretionary funds that have lapsed, will be made available through a discretionary competition.

i. Tribal Transit Formula Program

The Tribal Transit formula program is distributed to eligible Indian tribes providing public transportation on tribal lands. The formula apportionment shown in Table 10 is based on a statutory formula which includes three tiers. Tiers 1 and 2 are based on data reported to NTD by Indian tribes; Tier 3 is based on 2008–2012 American Community Survey data.

The three tiers for the formula are:

Tier 1—50 percent based on vehicle revenue miles reported to the NTD

Tier 2—25 percent provided in equal shares to Indian tribes reporting at least 200,000 vehicle revenue miles to the NTD

Tier 3—25 percent based on Indian tribes providing public transportation on reservations where more than 1,000 low income individuals reside

Twenty-nine more tribes are receiving a formula apportionment in FY 2014 than in FY 2013, because they became eligible to receive an apportionment after reporting their transit service data to the NTD. The available funds for formula apportionment are the same in FY 2013 and FY 2014, which results in lower apportionments to many of the tribes who had received a FY 2013 apportionment. In addition, a tribe's apportionment may have increased or decreased in FY 2014 due to increases or decreases in the data they reported to the NTD or changes to the tribe's population of persons at or below 100 percent of poverty reported in the updated ACS data used for the FY 2014 apportionments.

ii. Tribal Transit Discretionary Program

The Tribal Transit Discretionary program funds are allocated annually based on a discretionary competition and as published in a Notice of Funding Availability in the **Federal Register.** Funds will be allocated for grants to Indian tribes for purposes eligible under section 5311; however, FTA may limit the discretionary program based on funding priorities. Eligible projects may include: planning, capital, and operating. FTA expects to publish a NOFA in the **Federal Register** soliciting projects for the available FY 2014 discretionary funds in spring 2014. The NOFA will announce the available funding, application procedures, specific eligibility, and criteria for project selection for the discretionary program.

3. Requirements

Formula funds apportioned under this program can be used for purposes consistent with section 5311 to support public transportation on Indian Reservations in rural areas. Funds allocated under the discretionary program must be used consistent with the tribe's proposal and the allocation notice published in the **Federal Register,** which is used to announce the selected projects. Eligible recipients under both the discretionary and formula program include Federally-recognized Indian tribes or Alaska native villages, groups, or communities as identified by the U.S. Department of the Interior Bureau of Indian Affairs (BIA). A tribe must have the legal, financial and technical capabilities to receive and administer Federal funds.

Section 5335 requires NTD reporting for all direct recipients of section 5311 funds. This reporting requirement has and continues to apply to the Tribal Transit Program. Tribes that provide public transportation in rural areas are reminded to report annually so they are included in the Tribal Transit formula apportionments. Tribes needing assistance with reporting to the NTD should contact the NTD Helpline at 1–888–252–0936 or *NTDHelp@dot.gov.*

4. Period of Availability

Tribal Transit program funds are available for three years, which includes the year of apportionment or allocation plus two additional years, consistent with that established for the section 5311 program. Any FY 2014 formula funds that remain unobligated at the close of business on September 30, 2016 will revert to FTA for reapportionment under the Tribal Transit Program.

5. Other Program Information

The funds set aside for the Tribal Transit Program are not meant to replace or reduce funds that Indian tribes receive from States through the section 5311 program but are to be used to enhance public transportation on Indian reservations and transit serving tribal communities. Funds allocated to Indian tribes by the States may be included in the State's section 5311 application or awarded by FTA in a grant directly to the Indian tribe. FTA encourages Indian tribes intending to apply to FTA as direct recipients to contact the appropriate FTA regional office at the earliest opportunity.

Tribal Transit Program grantees, the same as with all other FTA grantees, are obliged to comply with applicable Federal requirements as a condition of their financial assistance. To assist tribes with understanding these requirements and the recent program changes, FTA conducted three Tribal Transit Technical Assistance Workshops in FY 2013 and expects to continue similar offerings in FY 2014. In addition, FTA will begin assessments to review compliance and provide specific technical assistance for tribes beginning in FY 2015; these reviews will include an assessment of compliance areas pursuant to the Master Agreement, a site visit and technical assistance from FTA and its contractors. FTA will post information about upcoming workshops to its Web site and will disseminate information about the reviews through its Regional offices. FTA has regional tribal transit liaisons in each of the FTA Regional offices that are available to assist tribes with applying for and managing FTA grants. A list of regional tribal transit liaisons can be found on FTA's Web site at *http://www.fta.dot.gov/13094_15845.html.* Tribes are encouraged to work directly with their regional tribal transit liaison.

Technical assistance for Indian tribes may be available from the State DOT using the State's allocation of RTAP or funds available for State administration under section 5311, from the Tribal Transportation Assistance Program (TTAP) Centers supported by FHWA, and from the Community Transportation Association of America under a program funded by the United States Department of Agriculture (USDA). National RTAP will also be developing new resources for Tribal Transit. For more information about National RTAP, contact Lorna Wilson, Program Manager at 202–366–0893 or visit the National RTAP Web site *http://www.nationalrtap.org.*

For more information about the Tribal Transit Program, contact Elan Flippin, Program Manager at 202–366–3800 or *elan.flippin@dot.gov.*

J. Research, Development, Demonstration, and Deployment Projects (49 U.S.C. 5312)

MAP–21 amended the section 5312: Research; Innovation and Development; and, Demonstration, Deployment and Evaluation to include a Low or No Emission Vehicle Deployment program to fund low or no emission vehicles, facilities, or related equipment in non-attainment or maintenance areas. Additionally, MAP–21 established a structured process for applications, evaluations, and reporting for the research programs. For more information contact Vincent Valdes, Office of Research, Demonstration and Innovation, at (202) 366–3052 or *Vincent.valdes@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $40,000,000 for section 5312. Of this amount, $30,000,000 is allocated for the Low or No Emissions Vehicle Deployment Program.

2. Basis for Allocation

Topical areas are based on the Department's Strategic Goals and projects are generally selected through Notices of Funding Availability (NOFAs).

3. Requirements

Application Instructions and Program Management Guidelines are set forth in FTA Circular 6100.1D, *Research, Technical Assistance and Training Programs: Application Instructions and Program Management Guidelines.* FTA is in the process of updating this circular to incorporate changes resulting from MAP–21. All research recipients are required to work with FTA to develop approved Statements of Work. Under MAP–21, all research projects now require at least a 20 percent non-Federal share. In some cases, FTA may require a higher non-Federal share if FTA determines a recipient would obtain a clear and direct financial benefit from the project, or if non-Federal share is an evaluation factor under a competitive selection process. Projects under the Low or No Emission Vehicle Deployment Program are also subject to section 5307 requirements.

4. Period of Availability

Except for the Low or No Emission Vehicle Deployment Program, FTA establishes the period in which the funds must be obligated to the project. If the funds are not obligated within that period of time, they revert to FTA for reallocation under the program. Low or No Emission Vehicle Deployment funds are available for two years in addition to the year the funds are made available to a recipient, for a total of three years.

5. Other Program Information

Requests for research proposals will be published in Grants.gov. The FY 2013 Low and No Emissions discretionary competition is currently underway; the NOFA soliciting project proposals was published on January 9, 2014 and proposals are due March 10, 2014. FTA may use this NOFA to select projects for FY 2014 funding. Prospective applicants can find more information on FTA's NOFA page: *http://www.fta.dot.gov/grants/13077.html.*

K. Transit Cooperative Research Program (49 U.S.C. 5313)

The Transit Cooperative Research Program (TCRP) funds a variety of applied research efforts for practitioners in the transit industry. TCRP is the cooperative effort of three organizations: the FTA; the National Academies, acting through the Transportation Research Board (TRB); and the Transit Development Corporation, Inc. (TDC), a nonprofit educational and research organization established by the American Public Transportation Association (APTA).

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $3,000,000 for this section.

2. Basis for Allocation

TCRP issues annual calls for problem statements. For more information and past reports see *www.tcrponline.org.*

3. Requirements

Funds are allocated directly to the Transportation Research Board at the National Academies of Sciences. For application requirements for this program, please see *www.tcrponline.org.*

4. Period of Availability

The Transportation Research Board establishes the period in which funds must be obligated to a project.

L. Technical Assistance and Standards Development (49 U.S.C. 5314)

This section allows FTA to provide technical assistance to recipients to more effectively and efficiently provide transit service and to improve administration of federal transit funds. It also authorizes the development of voluntary and consensus-based standards and best practices. Additionally, through a competitive process, FTA may enter into agreements with national nonprofit organizations to assist providers of public transportation to: comply with the Americans with Disabilities Act (ADA); comply with human services transportation coordination requirements and enhance Federal coordination; to meet the transportation needs of elderly individuals; to increase transit ridership in coordination with MPOs and other entities through development around public transportation stations; to address transportation equity needs; and to provide any other technical assistance activities deemed necessary by FTA. For more information contact Vincent Valdes, Office of Research, Demonstration and Innovation, at 202–366–3052 or *vincent.valdes@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $3,000,000 for this section.

2. Basis for Allocation

FTA will allocate funds based on identified technical assistance and standards needs for the transit industry and generally selected through a competitive process.

3. Requirements

Application Instructions and Program Management Guidelines are set forth in FTA Circular 6100.1D, *Research, Technical Assistance, and Training Programs: Application Instructions and Program Management Guidelines,* dated May 1, 2011. FTA is in the process of updating this circular to incorporate changes resulting from language in MAP–21. All recipients of Technical Assistance and Standards funds are required to work with FTA to develop approved Statements of Work. Projects funded using grants require at least a 20 percent non-Federal share.

4. Period of Availability

FTA establishes the period in which funds must be obligated to a project. If the funds are not obligated within that period of time, they revert back to FTA for reallocation under the program.

5. Other Program Information

Requests for proposals will be published in Grants.gov.

M. Human Resources and Training Programs (49 U.S.C. 5322)

FTA may make grants or enter into contracts for human resource needs including: Employment training programs; outreach programs to increase minority and female employment; research on public transportation personnel and training need; and, training and assistance for minority business opportunities. Additionally, the Innovative Public Transportation Workforce Development program is a competitive grant program to assist in the development of innovative workforce activities.

A national transit institute is authorized under section 5322(d). The institute is authorized to develop training and education programs related to topics in public transportation. For more information contact Vincent Valdes, Office of Research, Demonstration and Innovation, at (202) 366–3052 or *vincent.valdes@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides $2,000,000 for this section, excepting 5322(d), of which $5,000,000 is available for a national transit institute.

2. Basis for Allocation

FTA will allocate funds based on identified workforce development and training needs, as well as by an innovative workforce development competition or through the contracting process.

3. Requirements

Application Instructions and Program Management Guidelines are set forth in FTA Circular 6100.1D, *Research, Technical Assistance, and Training Programs: Application Instructions and Program Management Guidelines,* dated May 1, 2011. FTA is in the process of updating this circular to incorporate changes resulting from language in MAP–21. All recipients of Human Resources and Training funds are required to work with FTA to develop approved Statements of Work. FTA may award funds through contracts or grants. Grants funded under the Human Resources and Training and the Innovative Public Transportation Workforce Development Program require a 50 percent non-Federal share.

4. Period of Availability

FTA establishes the period in which funds must be obligated to a project. If the funds are not obligated within that period of time, they revert back to FTA for reallocation under the program.

5. Other Program Information

Requests for proposals will be published in Grants.gov.

N. Public Transportation Emergency Relief Program (49 U.S.C. 5324)

MAP–21 established a public transportation Emergency Relief Program to fund public transportation expenses incurred as a result of an emergency or major disaster. No funding was provided in the FY14 Consolidated Appropriations Act for this program. Eligible expenses include emergency operating expenses, such as evacuations, rescue operations, and expenses incurred to protect assets in advance of a disaster, as well as capital projects to protect, repair, reconstruct, or replace equipment and facilities of a public transportation system in the United States or on an Indian reservation that the Secretary determines is in danger of suffering serious damage or has suffered serious damage as a result of an emergency.

The Disaster Relief Appropriations Act of 2013 made $10.9 billion available for the Emergency Relief program in response to Hurricane Sandy, which struck several metropolitan areas between Washington, DC and coastal New Hampshire in late October 2012. FTA has announced and allocated funding for affected transit agencies within the declared disaster area through a series of **Federal Register** notices during 2013. While Congress did not provide additional non-Sandy funding for this program in FY 2014, in the event of a declared emergency or major disaster recipients may use funds apportioned under sections 5307 and 5311 for emergency purposes.

In order for an agency to be eligible for Emergency Relief funding, the agency must have been affected by an emergency as defined under section 5324. Section 5324(a)(2) defines an emergency as ''a natural disaster affecting a wide area (such as a flood, hurricane, tidal wave, earthquake, severe storm) or a catastrophic failure from any external cause as a result of which (a) the Governor of a State has declared an emergency and the Secretary has concurred or (b) the President has declared a major disaster under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act.'' Expenses incurred due to incidents that do not rise to the level of a Governor's declaration with concurrence by the Secretary of Transportation will not be eligible to be funded under section 5324. Further, in the event of a Presidential declaration of emergency, FTA may reimburse only those expenses that are not reimbursed under the Stafford Act. If funding is available under the Emergency Relief program for a public transportation system affected by an emergency, agencies are directed to seek emergency relief from FTA rather than FEMA.

If a recipient has been affected by an emergency or major disaster, the recipient should contact the appropriate FTA regional office as soon as practicable to determine whether Emergency Relief funds are available, and to notify it that it plans to seek reimbursement for emergency operations and/or repairs that have already taken place or are in process. If Emergency Relief funds are unavailable the recipient may seek reimbursement from FEMA. Properly documented costs for which the grantee has not received reimbursement from FEMA may later be reimbursed by grants made either from section 5324 funding (if appropriated) or section 5307 and 5311 program funding, once the eligible recipient formally applies to FTA for reimbursement and FTA determines that the expenses are eligible for emergency relief.

FTA published an interim final rule for the Emergency Relief program on March 29, 2013 (49 CFR part 602, 78 FR 19136) and will publish a final program regulation later in 2014. Additional information about the Emergency Relief program and FTA's response to Hurricane Sandy is available on the FTA Web site at *www.fta.dot.gov/emergencyrelief.*

For more information on the Public Transportation Emergency Relief Program or FTA's response to Hurricane Sandy, contact Adam Schildge, Office of Program Management, at 202–366–0778 or *adam.schildge@dot.gov.* For questions regarding the Interim Final Rule or the final program regulation, contact Bonnie Graves, Office of Chief Counsel, at 202–366–4011 or *bonnie.graves@dot.gov.*

O. Public Transportation Safety Program (49 U.S.C. 5329)

MAP–21 establishes a Public Transportation Safety Program (section 5329) authorizing FTA to establish and enforce a new comprehensive framework to oversee the safety of public transportation throughout the

United States. It directs FTA to issue a National Public Transportation Safety Plan, which must include safety performance criteria for all modes of public transportation and minimum safety performance standards for vehicles not regulated by other Federal agencies.

FTA is implementing its new safety authority in consultation with the transit community and the U.S. Department of Transportation's (DOT) Transit Advisory Committee for Safety (TRACS), the latter of which has been working since September of 2010 to help guide this effort. Following the promulgation of a rule, recipients of FTA funding will be required to have a public transportation agency safety plan in place in order to obligate any grant funds available under Chapter 53. FTA published an Advanced Notice of Proposed Rulemaking (ANPRM) on the National Public Transportation Safety Program and the National Transit Asset Management Program on October 3, 2013, and asked several questions on how to implement the safety requirements of MAP–21 (78 FR 61251). FTA plans to issue several separate rulemakings to implement these requirements of MAP–21.

FTA is also working with States with rail fixed guideway public transportation systems (rail transit systems) to develop and carry out State Safety Oversight (SSO) Programs consistent with the requirements of MAP–21. Section 5329(e)(6) of 49 U.S.C. provides funding to support such activities. As mentioned in Section IV.C.5.ii in this notice, under MAP–21, there is a 0.5 percent take-down from the section 5307 Urbanized Area Formula grant program that provides the funding to be apportioned to States for SSO program activities. In a separate **Federal Register** notice, FYs 2013 and 2014 funds will be apportioned by a formula established by FTA per 49 U.S.C. 5329(e)(6)(B)(i) to States with rail transit systems that are either operating or in the engineering or construction phase of development, and which are not subject to regulation by the Federal Railroad Administration (FRA) to develop or carry out their SSOPs that meet MAP–21 requirements.

For more information about the Public Transportation Safety Program, contact Angela Dluger, Office of Safety and Oversight, at (202) 366–5303 or *Angela.Dluger@dot.gov.*

P. State of Good Repair Program (49 U.S.C. 5337)

The State of Good Repair (SGR) program provides capital assistance for maintenance, rehabilitation, and replacement projects of existing fixed guideway and high intensity motorbus systems to maintain a state of good repair. Additionally, SGR grants are eligible for developing and implementing Transit Asset Management plans. This program provides funding for the following transit modes: Rapid rail (heavy rail), commuter rail, light rail, hybrid rail, monorail, automated guideway, trolleybus (using overhead catenary), aerial tramway, cable car, inclined plane (funicular), passenger ferries, bus rapid transit, and fixed-route bus services operating on high-occupancy-vehicle (HOV) facilities.

This program replaces and modifies elements of the fixed guideway modernization program (section 5309). Projects, including new maintenance facilities or maintenance equipment, that solely expand capacity or service are not eligible projects. The SGR program is intended to fund projects to maintain, replace or rehabilitate existing fixed guideway and high intensity motorbus systems.

FTA is in the process of developing a program circular that will be published for notice and comment. In the meantime, recipients should review the sections below for interim program guidance combined with the previously published interim guidance contained in the FY 2013 Apportionment Notice, dated October 16, 2012, and FTA Circular 9300.1B, *Capital Investment Program Guidance and Application Instructions,* dated November 1, 2008 until a final circular is published. For more information about the SGR program, contact Eric Hu, Office of Transit Programs, at (202) 366–0870 or *eric.hu@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $2,165,900,000 for the SGR program. After a 0.75 percent oversight takedown from the amount apportioned to the fixed guideway tier, the total amount allocated for the SGR program is $2,150,118,711, as shown in the table below.

STATE OF GOOD REPAIR FORMULA GRANT PROGRAM—FY 2014

Total Appropriation	[a] $2,165,900,000
Oversight Deductions	−15,781,289
Total Apportioned	2,150,118,711

[a] Total Appropriation includes $2,104,171,850 for the High Intensity Fixed Guideway tier and $61,728,150 for the High Intensity Motorbus tier.

Table 11 shows the FY 2014 SGR Program formula apportionments to eligible UZAs.

2. Basis for Allocation

FTA allocates SGR program funds according to a statutory formula. Funds are apportioned to UZAs with fixed guideway and high intensity motorbus systems that have been in operation for at least seven years. This means that only segments of fixed guideway and high intensity motorbus systems that entered into revenue service on or before September 30, 2006 are included in the formula, as identified in the NTD.

The law requires that 97.15 percent of the total amount authorized for the SGR program be apportioned to UZAs with ''high intensity fixed guideway'' systems. The apportionments to UZAs with ''high intensity fixed guideway'' systems are determined by two equal elements: (1) The proportion a recipient would have received of the fiscal year 2011 apportionment for 49 U.S.C. 5337, as it then existed, if calculated using the current version of 49 U.S.C. 5336(b)(1) and the current definition of ''fixed guideway'' at 49 U.S.C. 5337(a); (2) the proportion of vehicle revenue miles of an UZA to the total vehicle revenue miles of all UZAs and the proportion of directional route miles of an UZA to the total directional route miles of all UZAs. High Intensity Motorbus systems will receive the remaining 2.85 percent of the total amount authorized for the SGR program, and the apportionments to UZAs are based on vehicle revenue miles and directional route miles.

Vehicle revenue miles and directional route miles that are attributable to an UZA must be placed in revenue service at least 7 years before the first day of the fiscal year. FTA will apportion section 5337 funds to the section 5307 Designated Recipient for the UZA with fixed guideway transportation systems operating at least 7 years. The Designated Recipients will then allocate funds as appropriate to recipients that are public entities in the UZA and provide split letters to the FTA. FTA can make grants to direct recipients after sub-allocation of funds.

3. Requirements

FTA is in the process of updating the program circular to incorporate changes resulting from MAP–21. Until a final program circular is issued, grantees can utilize program guidance and requirements found in this notice along with the interim guidance published in the **Federal Register** on October 16, 2012 (See 77 FR 63669), combined with the FTA circular formerly used for the Fixed Guideway Modernization

Program: FTA Circular 9300.1B, *Capital Investment Program Guidance and Application Instructions,* dated November 1, 2008.

In addition to this program guidance, all recipients will need to certify that they will comply with the forthcoming rule issued under section 5326 for the Transit Asset Management plan, and SGR projects will need to be included in recipients' Transit Asset Management plans. This requirement is subject to FTA rulemaking and will become effective only after the rule is issued.

While funds are apportioned based only on fixed guideway and high intensity motorbus segments that have been in operation seven years or longer, a recipient may use the funds apportioned to it for eligible maintenance, replacement, and rehabilitation projects on any part of its existing fixed guideway system.

Eligible capital projects are those necessary to maintain fixed guideway systems in a state of good repair, including projects to replace and rehabilitate:

i. Rolling stock;
ii. Track;
iii. Line equipment and structures;
iv. Signals and communications;
v. Power equipment and substations;
vi. Passenger stations and terminals;
vii. Security equipment and systems;
viii. Maintenance facilities and equipment;
ix. Operational support equipment, including computer hardware and software;
x. Development and implementation of a transit asset management plan; and
xi. Other replacement and rehabilitation projects FTA determines appropriate.

Allowable activities within eligible replacement projects include the replacement of older features with new ones. Allowable activities within eligible rehabilitation projects include the incorporation of current design standards and additional features required by Federal law. Equipment, vehicles, and facilities to be replaced must have reached or exceeded its minimum useful life to be eligible for SGR funds.

In addition to replacement and rehabilitation, new maintenance facilities or maintenance equipment are eligible if needed to maintain the existing fixed guideway system or equipment in a state of good repair. Also, although not explicitly listed above, preventive maintenance activities are eligible.

FTA will permit expansion of capacity within eligible replacement projects to meet current or projected short-term service needs (e.g., replacing a maintenance facility with a larger facility, or replacing a bus with a larger bus). For any expansion elements included in a replacement project, the grantee will need to address how the project meets current or short term service levels. FTA will review the reasonableness of such expansion elements when reviewing the grant.

4. Period of Availability

The SGR funds apportioned in this notice are available for obligation during FY 2014 plus three additional years. Accordingly, funds apportioned in FY 2014 must be obligated in grants by September 30, 2017. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2017 will revert to FTA for reapportionment under the SGR Program.

Q. Bus and Bus Facilities Formula Grants (49 U.S.C. 5339)

MAP–21 established the Bus and Bus Facilities Formula program, replacing some of the elements of the former Bus and Bus Facilities discretionary program under SAFETEA–LU. The program provides funding to replace, rehabilitate, and purchase buses and related equipment well as construct bus-related facilities.

Eligible recipients are designated recipients and States that operate or allocate funding to fixed-route bus operators. Eligible subrecipients include public agencies or private nonprofit organizations engaged in public transportation, including those providing services open to a segment of the general public, as defined by age, disability, or low income.

FTA is in the process of developing a program circular that will be published for notice and comment. In the meantime, recipients should review the below sections for interim program guidance combined with the previously published interim guidance contained in the FY 2013 Apportionment Notice, dated October 16, 2012, and FTA Circular 9300.1B, *Capital Investment Program Guidance and Application Instructions,* dated November 1, 2008 until a final circular is published. For more information about the Bus and Bus Facilities program, contact Sam Snead, Office of Transit Programs, at (202) 366–1089 or *samuel.snead@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $427,800,000 for the Bus and Bus Facilities program. After the take-down for the States and Territories (National Distribution), $362,300,000 is available to be apportioned to the UZAs, as shown below.

BUS AND BUS FACILITIES—FY 2014

Total Appropriation	$427,800,000
State and Territory Allocation	....
Total Apportioned	$362,300,000

Table 12 shows the FY 2014 Bus and Bus Facilities formula apportionments to States, Territories, and UZAs.

2. Basis for Allocation

Funds are apportioned according to a statutory formula. However, State and Territories (including the District of Columbia and Puerto Rico) receive a fixed allocation before FTA applies the formula. This fixed allocation, referred to as the National Distribution allocation, provides each State approximately $1.25 million and each territory $500,000. These funds are available for use anywhere in the State or Territory. The remainder of the funding is apportioned for UZAs based on population, vehicle revenue miles and passenger miles and is specifically for use in UZAs.

For large UZAs, the Designated Recipient(s) work with interested parties, including the MPO, to allocate amounts among eligible subrecipients. The Designated Recipient in consultation with interested parties should determine the subarea allocation fairly and rationally through a process based on local needs.

Pursuant to section 5339(c)(2), except for the funds set aside for distribution to each state, funds available to carry out section 5339 are apportioned consistent with the formula set forth in section 5336 other than subsection (b). Pursuant to section 5336(e), the Governor exercises the authority to allocate section 5339 formula apportionments to all small UZAs within the State—including those that lie within the planning areas of MPOs serving TMAs. Federal law clearly states that it is up to the State to determine the distribution method for section 5339 funds among small UZAs, and inclusion of small UZAs within the planning area of an MPO that serves a transportation management area (TMA) does not change the status of those small UZAs. They are still small UZAs and subject to the Governor's allocation. There is no legal prohibition to the Governor allocating the apportioned funds through competition. Regardless of how the State decides to allocate the section 5339 bus funds, the MPO, the State, and the transportation operators are reminded that, with exceptions not relevant in this case, projects not included in a federally-approved Statewide Transportation Improvement Program (STIP) will not be eligible to receive those program funds. (See 23 CFR 450.330(d)).

3. Requirements

Eligible capital projects include projects to replace, rehabilitate, and purchase buses and related equipment, and projects to construct bus-related facilities. This includes the acquisition of buses for fleet and service expansion, bus maintenance and administrative facilities, transfer facilities, bus malls, transportation centers, intermodal terminals, park-and-ride stations, acquisition of replacement vehicles, bus rebuilds, passenger amenities such as passenger shelters and bus stop signs, accessory and miscellaneous equipment such as mobile radio units, supervisory vehicles, fare boxes, computers, and shop and garage equipment. While bus rehabilitation activities (e.g. rebuilds to extend the useful life) are eligible, preventive maintenance and mid-life overhauls are not eligible under this program. The grant requirements of section 5307, such as the requirement for Department of Labor Certification, apply to recipients of grants made under this section.

Section 5339 limits eligible direct (grant) recipients under this program to the Designated Recipients in large UZAs and States for all areas under 200,000 in population (small UZAs and rural areas). States are expected to be the grant recipient for the National Distribution amounts, unless the funds are transferred to a 5307 recipient. Please see additional guidance for permissible transfers in ''Other Program Information'' section below.

A grant for a capital project under this section shall be for 80 percent of the net capital costs of the project. A recipient of a grant may provide additional local matching amounts. The remainder of net project cost shall be provided in cash from non-Government sources other than revenues from providing public transportation services; from revenues derived from the sale of advertisement or concessions; from undistributed cash surplus, a replacement or depreciation cash fund or reserve, or new capital; or from amounts received under a service agreement with a State or local social service agency or private social service organization.

FTA is in the process of developing a circular for this formula program, which will be made available for public comment. In the meantime, grantees can utilize program guidance and requirements found in this notice along with the interim guidance published in the **Federal Register** on October 16, 2012 (See 77 FR 63669), combined with the FTA circular for the former discretionary Bus program, which can be found in FTA Circular 9300.1B, *Bus and Bus Facilities Instructions.*

4. Period of Availability

The Bus and Bus Facilities Formula Program funds apportioned in this notice are available for obligation during FY 2014 plus three additional years. Accordingly, funds apportioned in FY 2014 must be obligated in grants by September 30, 2017. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2017 will revert to FTA for reapportionment under the Bus and Bus Facilities Formula Program.

5. Other Program Information

The only allowable transfer provision for these program funds to another FTA program applies to the National Distribution allocation. The Governor of a State may transfer any part of the State's National Distribution amounts to supplement funding under the rural areas (section 5311) or urbanized areas (5307) formula programs. If transferred to a 5307 direct recipient (in a large or small UZA), FTA will permit the recipient to apply directly for the funds in a 5307 grant. However, the funds can only be used for purposes eligible under this section.

As for the funding apportioned by formula, for small UZAs, the Governor has flexibility to allocate the funds among the small UZAs to meet the capital bus needs in those areas.

R. Growing States and High Density States Formula Factors (49 U.S.C. 5340)

MAP–21 continues the use of formula factors (established under SAFETEA–LU) to distribute additional funds to the section 5307 and section 5311 programs for Growing States and High Density States. FTA continues to publish single UZA and rural apportionments that show the total amount for 5307 and 5311 programs that includes apportionments these programs formulas together with section 5340.

1. FY 2014 Funding Availability

The FY 2014 Appropriation provides $525,900,000 to be apportioned using the formula factors prescribed for Growing States and High Density States set forth in section 5340.

2. Basis for Allocation

Under the Growing States portion of the section 5340 formula, 50 percent of funds are allocated to States on the basis of their projected population growth. FTA projects each State's 2025 population by comparing each State's apportionment year population (as determined by the Census Bureau) to the State's 2010 Census population and extrapolating to 2025 based on each State's rate of population growth between 2010 and the apportionment year. Each State receives a share of Growing States funds on the basis of its projected 2025 population relative to the nationwide projected 2025 population.

Once each State's share is calculated, funds attributable to that State are divided into an UZA allocation and a non-UZA allocation on the basis of the percentage of each State's 2010 Census population that resides in UZA and non-UZA areas. Urbanized areas receive portions of their State's urbanized area allocation on the basis of the 2010 Census population in that UZA relative to the total 2010 Census population in all UZAs in the State. These amounts are added to the UZA's section 5307 apportionment.

The States' rural area allocation is added to the allocation that each State receives under the section 5311 Formula Grants for Rural Areas program.

The remaining 50 percent of the section 5340 funds are allocated under the High Density States portion of the section 5340 formula. These funds are allocated to UZAs in States with a population density equal to or greater than 370 persons per square mile. Based on this threshold and 2010 Census data, the States that qualify are Maryland, Delaware, Massachusetts, Connecticut, Rhode Island, New York and New Jersey (these are the same States that qualified under SAFETEA–LU). The amount of funds provided to each of these seven States is allocated on the basis of the population density of the individual State relative to the population density of all seven States. Once funds are allocated to each State, funds are then allocated to UZAs within the States on the basis of an individual UZA's population relative to the population of all UZAs in that State.

FTA cannot provide unit values for the Growing States or High Density formulas because the apportionments to individual States and UZAs are based on their relative population data, rather than on a national per capita basis.

S. Washington Metropolitan Area Transit Authority Grants

The FY 2014 Appropriations provides $150,000,000 for grants to the Washington Metropolitan Area Transit Authority (WMATA). Such funding is authorized under section 601 of the Passenger Rail Investment and Improvement Act of 2008. See Public Law 110–432, Division B, Title VI.

Grants may be provided for capital and preventive maintenance expenditures for WMATA after it has been determined that WMATA has placed the highest priority on investments that will improve the safety of the system, including but not limited to fixing the track signal system, replacing 1000 series cars, installing guarded turnouts, buying equipment for wayside worker protection, and installing rollback protection on cars that are not equipped with the safety feature. FTA will communicate further program requirements directly to WMATA.

V. FTA Policy and Procedures for FY 2014 Grants

A. Automatic Pre-Award Authority To Incur Project Costs

This section includes some changes to automatic pre-award authority published in previous notices, particularly in light of the new authorization and several new formula programs, some of which will require new Designated Recipients before projects costs can be reimbursed.

1. Caution to New Grantees and for New Formula Programs

While FTA provides pre-award authority to incur expenses before grant award for formula programs, it recommends that first-time grant recipients and recipients of grants under new formula programs NOT utilize this automatic pre-award authority without verifying with the appropriate FTA Regional office that all pre-requisite requirements have been met. As a new grantee, it is easy to misunderstand pre-award authority conditions and be unaware of all of the applicable FTA requirements that must be met in order to be reimbursed for project expenditures incurred in advance of grant award. FTA programs have specific statutory requirements that are often different from those for other Federal grant programs with which new grantees may be familiar. If funds are expended for an ineligible project or activity, or for an eligible activity but at an inappropriate time (e.g., prior to NEPA completion), FTA will be unable to reimburse the project sponsor and, in certain cases, the entire project may be rendered ineligible for FTA assistance.

2. Policy

FTA provides pre-award authority to incur expenses before grant award for certain program areas described below. This pre-award authority allows grantees to incur certain project costs before grant approval and retain the eligibility of those costs for subsequent reimbursement after grant approval. The grantee assumes all risk and is responsible for ensuring that all conditions are met to retain eligibility. This pre-award spending authority permits an eligible grantee to incur costs on an eligible transit capital, operating, planning, or administrative project without prejudice to possible future Federal participation in the cost of the project. In this notice, FTA provides pre-award authority until September 30, 2016 for capital assistance under all formula programs, so long as the conditions described below are met. Historically, FTA provides pre-award authority until the end of the authorization period and then extends it in one year increments. However, given the short authorization period and the need for continued pre-award authority, FTA is extending this period for two additional years beyond the authorization. Recipients entering into any contracts that assume federal funding beyond September 30, 2016, should contact their regional office to request a letter of no prejudice (see section below). FTA provides pre-award authority for planning and operating assistance under the formula programs without regard to the period of the authorization. Additional information pertaining to specific uses of pre-award authority are below:

i. *Operating, Planning, or Administrative Assistance.* FTA does not impose additional conditions on pre-award authority for operating, planning, or administrative assistance under the formula grant programs. Grantees may be reimbursed for expenses incurred before grant award so long as funds have been expended in accordance with all Federal requirements, and the grantee is otherwise eligible to receive the funding. In addition to cross-cutting Federal grant requirements, program specific requirements must be met. For example, a planning project must have been included in a Unified Planning Work Program (UPWP); a 5310 project must have been included in a coordinated public transit-human services transportation plan (coordinated plan) and selected by the Designated Recipient before incurring expenses; expenditure on State Administration expenses under State Administered programs must be consistent with the State Management Plan (as defined in the most current version of FTA Circular 9040.1, Chapter 6). Designated Recipients for section 5310 have pre-award authority for the ten percent of the apportionment they may use for program administration.

ii. *Transit Capital Projects.* For transit capital projects, the date that costs may be incurred is: (1) For design and environmental review, the date of the authorization of formula funds or the date of the announcement of the discretionary allocation of funds for the project; (2) for property acquisition, demolition, construction, and acquisition of vehicles, equipment, or construction materials for projects that qualify for a categorical exclusion pursuant to 23 CFR 771.118(c), the date of the authorization of formula funds or the date of the announcement of the discretionary allocation of funds for the project; and (3) for property acquisition, demolition, construction, and acquisition of vehicles, equipment, or construction materials for projects that require a categorical exclusion pursuant to 23 CFR 771.118(d), an environmental assessment, or an environmental impact statement, the date that FTA completes the environmental review process required by NEPA and its implementing regulations by its issuance of a Section 771.118(d) categorical exclusion determination, a Finding of No Significant Impact (FONSI), or a Record of Decision (ROD). For projects that qualify for a categorical exclusion pursuant to 23 CFR 771.118(c), if a project is subsequently found not to qualify for this CE, it will be ineligible for FTA assistance. FTA recommends that any grant applicant that is concerned that a larger project may not clearly qualify for the CEs at 23 CFR 771.118(c)(8), (c)(9), (c)(10), (c)(12), and (c)(13), contact FTA's Regional Office for assistance in determining the appropriate environmental review process and level of documentation necessary before incurring costs for property acquisition, demolition, construction, and acquisition of vehicles, equipment, or construction materials.

iii. *New Starts, Small Starts and Core Capacity Projects.* The pre-award authority described above does not apply to section 5309 Fixed Guideway Capital Investment Grant Program (CIG) projects. Specific instances of pre-award authority for CIG Program projects are described in paragraph 4 below. If pre-award authority has not been granted for a particular type of work on a CIG program project, the project sponsor must obtain a written Letter of No Prejudice (LONP) from FTA before starting that work. To obtain an LONP, a grantee must submit a written request accompanied by adequate information and justification to the appropriate FTA regional office, as described in Section 4. below.

iv. *Research, Technical Assistance, and Training.* Unless provided for in an announcement of project selections, pre-award authority does not apply to section 5312 Research, development, demonstration, and deployment projects, section 5314 Technical Assistance and Standards Development, or section 5322 Human Resources and Training. Before an applicant may incur costs for activities under these programs, it must first obtain a written Letter of No Prejudice (LONP) from FTA. To obtain an LONP, a grantee must submit a written request accompanied by adequate information and justification to the appropriate FTA headquarters office. Information about LONP procedures may be obtained from the appropriate headquarters office.

3. Conditions

The conditions under which pre-award authority may be utilized are specified below:

i. Pre-award authority is not a legal or implied commitment that the subject project will be approved for FTA assistance or that FTA will obligate Federal funds. Furthermore, it is not a legal or implied commitment that all items undertaken by the applicant will be eligible for inclusion in the project.

ii. All FTA statutory, procedural, and contractual requirements must be met.

iii. No action will be taken by the grantee that prejudices the legal and administrative findings that the Federal Transit Administrator must make in order to approve a project.

iv. Local funds expended by the grantee after the date of the pre-award authority will be eligible for credit toward local match or reimbursement if FTA later makes a grant or grant amendment for the project. Local funds expended by the grantee before the date of the pre-award authority will not be eligible for credit toward local match or reimbursement. Furthermore, the expenditure of local funds or undertaking of project implementation activities such as land acquisition, demolition, or construction before the date of pre-award authority for those activities (i.e., the completion of the NEPA process) would compromise FTA's ability to comply with Federal environmental laws and may render the project ineligible for FTA funding.

v. The Federal amount of any future FTA assistance awarded to the grantee for the project will be determined on the basis of the overall scope of activities and the prevailing statutory provisions with respect to the Federal/local match ratio at the time the funds are obligated.

vi. For funds to which the pre-award authority applies, the authority expires with the lapsing of the fiscal year funds.

vii. When a grant for the project is subsequently awarded, the initial Federal Financial Report, in TEAM-Web, must indicate the use of pre-award authority.

viii. Planning, Environmental, and Other Federal requirements.

All Federal grant requirements must be met at the appropriate time for the project to remain eligible for Federal funding. The growth of the Federal transit program has resulted in a growing number of inexperienced grantees who find compliance with Federal planning and environmental laws increasingly challenging.

FTA has modified its approach to pre-award authority to use the completion of the NEPA process, which has as a prerequisite the completion of planning and air quality requirements, as the trigger for pre-award authority for all activities except design and environmental review. Following authorization of formula funds or appropriation and publication of earmarked projects or the announcement of project allocations, pre-award authority for capital project implementation activities, such as property acquisition, demolition, construction, and acquisition of vehicles, equipment, or construction materials, may be exercised only after FTA concurs that all applicable environmental requirements have been satisfied, including those for actions classified as normally requiring preparation of environmental impact statements, environmental assessments, and categorical exclusions found in 23 CFR 771.117.

The requirement that a project be included in a locally-adopted Metropolitan Transportation Plan, the metropolitan transportation improvement program and federally-approved statewide transportation improvement program (23 CFR Part 450) must be satisfied before the grantee may advance the project beyond planning and preliminary design with non-Federal funds under pre-award authority. If the project is located within an EPA-designated non-attainment or maintenance area for air quality, the conformity requirements of the Clean Air Act, 40 CFR Part 93, must also be met before the project may be advanced into implementation-related activities under pre-award authority. Compliance with NEPA and other environmental laws and executive orders (e.g., protection of parklands, wetlands, and historic properties) must be completed before State or local funds are spent on implementation activities, such as site preparation, construction, and acquisition, for a project that is expected to be subsequently funded with FTA funds. The grantee may not advance the project beyond planning and preliminary design/engineering before FTA has determined the project to be a Categorical Exclusion (CE), or has issued a Finding of No Significant Impact (FONSI) or a Record of Decision (ROD), in accordance with FTA environmental regulations, 23 CFR Part 771.

For a planning project to have pre-award authority, the planning project must be included in a MPO-approved Unified Planning Work Program (UPWP) that has been coordinated with the State.

ix. Federal procurement procedures, as well as the whole range of applicable Federal requirements (e.g., Buy America, Davis-Bacon Act, Disadvantaged Business Enterprise (DBE)) must be followed for projects in which Federal funding will be sought in the future. Failure to follow any such requirements could make the project ineligible for Federal funding. In short, this increased administrative flexibility requires a grantee to make certain that no Federal requirements are circumvented through the use of pre-award authority.

x. Recipients exercising pre-award authority to update, repair, or modernize stations, must be mindful that the DOT ADA regulations at 49 CFR 37.161(b) provide that an accessibility feature must be repaired promptly if it is damaged or out of order. When the accessibility feature is out of order, a Recipient must take reasonable steps to accommodate individuals with disabilities who would otherwise use the feature. The rule does not, and probably could not, state a time limit for making particular repairs, given the variety of circumstances involved. However, repairing accessible features must be made a high priority. Allowing obstructions or out of order accessibility equipment to persist beyond a reasonable period of time would violate this Part, as would mechanical failures due to improper or inadequate maintenance. Failure of the entity to ensure that accessible routes are free of obstruction and properly maintained, or failure to arrange prompt repair of inoperative elevators, lifts, or other accessibility-related equipment, would also violate this part.

xi. All program specific requirements must be met. For example, projects under section 5310 must comply with specific program requirements, including coordinated planning.

Before incurring costs, grantees are strongly encouraged to consult with the appropriate FTA regional office regarding the eligibility of the project for future FTA funds and for questions on environmental requirements, or any other Federal requirements that must be met.

xii. Recipients exercising pre-award authority are expected to comply with the DBE regulations. The Department of Transportation's DBE program helps small businesses owned by socially and economically disadvantaged individuals to compete in the marketplace, and is designed to support the people who create jobs—our nation's entrepreneurs. When procuring vehicles, recipients are reminded of the requirements of 49 CFR 26.49(a), which requires ''if you are a transit vehicle manufacturer, you must establish and submit for FTA's approval an annual overall percentage goal'' and ''as a transit vehicle manufacturer, you may make the certification required by this section if you have submitted the goal this section requires and FTA has approved it or not disapproved it.'' Recipients are advised that it is not enough to accept a certification stating that ''FTA has not disapproved'' of a TVMs DBE goal. Rather, Recipients must ensure that the TVM has submitted a goal to FTA and FTA has either approved it or not disapproved it. A recipient may request from FTA verification that a TVM has submitted a DBE goal to FTA for its review. Please email your Regional Civil Rights Officer regarding your request and FTA will respond via email within five business days. Furthermore, to assist with TVM certification compliance, FTA maintains a web posting of all certified TVMs located at *http://www.fta.dot.gov/12326_5626.html*. Finally, FTA takes the position that failure by a Recipient to verify a TVM's eligibility to bid on an FTA-assisted contract prior to award cannot be cured after award of the contract and will likely result in FTA declining to provide Federal funding for the vehicle procurement.

4. Pre-Award Authority for the Fixed Guideway Capital Investment Program (New and Small Starts Projects and Core Capacity Projects)

Projects proposed for section 5309 Capital Investment Grants (CIG) program funds are required to follow a process defined in law. For New Starts and Core Capacity projects, this process includes three phases—project development (PD), engineering, and construction. For Small Starts projects, this process includes two phases—PD and construction. After receiving a letter from the project sponsor requesting entry into the PD phase, FTA must respond in writing within 45 days whether the information was sufficient for entry. If FTA's correspondence indicates the information was sufficient and the New Starts, Small Starts or Core Capacity project may enter PD, FTA extends pre-award authority to the project sponsor to incur costs for PD activities. PD activities include the work necessary to complete the environmental review process and as much engineering and design activities as the project sponsor believes are necessary to support the environmental review process. Upon completion of the environmental review process for a New Starts, Small Starts, or Core Capacity Improvement project with a ROD, FONSI, or CE determination by FTA, FTA extends pre-award authority to project sponsors in PD to incur costs for as much engineering and design as needed to develop a reasonable cost estimate and financial plan for the project, utility relocation, and real property acquisition and associated relocations for any property acquisitions not already accomplished as a separate project for hardship or protective purposes or right-of-way under 49 U.S.C. 5323(q). Upon receipt of a letter notifying a New Starts or Core Capacity project sponsor of the project's approval into the engineering phase, FTA extends pre-award authority for any remaining engineering and design, demolition, vehicle purchases, and procurement of long lead items for which market conditions play a significant role in the acquisition price. The long lead items include, but are not limited to, procurement of rails, ties, and other specialized equipment, and commodities. Please contact the FTA Regional Office for a determination of activities not listed here, but which meet the intent described above. FTA provides this pre-award authority in recognition of the long-lead time and complexity involved with purchasing vehicles as well as their relationship to the ''critical path'' project schedule. FTA cautions grantees that do not currently operate the type of vehicle proposed in the project about exercising this pre-award authority. FTA encourages these sponsors to wait until later in the process when project plans are more fully developed. FTA reminds project sponsors that the procurement of vehicles must comply with all Federal requirements including, but not limited to, competitive procurement practices, the Americans with Disabilities Act, and Buy America. FTA encourages project sponsors to discuss the procurement of vehicles with FTA in regards to Federal requirements before exercising pre-award authority. Because there is not a formal engineering phase for Small Starts projects, FTA does not extend pre-award authority for demolition, vehicle purchases and procurement of long lead items. Instead, this work must await receipt of a construction grant award.

i. Real Property Acquisition

As noticed above, FTA extends pre-award authority for the acquisition of real property and real property rights for fixed guideway capital investment projects (New or Small Starts or Core Capacity) upon completion of the environmental review process for that project. The environmental review process is completed when FTA signs an environmental Record of Decision (ROD) or Finding of No Significant Impact (FONSI), or makes a Categorical Exclusion (CE) determination. With the limitations and caveats described below, real estate acquisition may commence, at the project sponsor's risk. For FTA-assisted projects, any acquisition of real property or real property rights must be conducted in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and its implementing regulations, 49 CFR Part 24. This pre-award authority is strictly limited to costs incurred: (i) To acquire real property and real property rights in accordance with the URA regulation, and (ii) to provide relocation assistance in accordance with the URA regulation. This pre-award authority is limited to the acquisition of real property and real property rights that are explicitly identified in the final environmental impact statement (FEIS), environmental assessment (EA), or CE document, as needed for the selected alternative that is the subject of the FTA-signed ROD or FONSI, or CE determination. This pre-award authority regarding property acquisition that is granted at the completion of the environmental review process does not cover site preparation, demolition, or any other activity that is not strictly necessary to comply with the URA, with one exception. That exception is when a building that has been acquired, has been emptied of its occupants, and delaying demolition poses a potential fire safety hazard or other hazard to the community in which it is located, or is susceptible to reoccupation by vagrants. Demolition of the building is also covered by this pre-award authority upon FTA's written agreement that the adverse condition exists. Pre-award authority for property acquisition is also provided when FTA makes a CE determination for a protective buy or hardship acquisition in accordance with 23 CFR 771.117(d)(12). Pre-award authority for property acquisition is also provided when FTA completes the environmental review process for the acquisition of right-of-way as a separate project in accordance with 49 U.S.C. 5323(q). Guidance on this approach to property acquisition will be forthcoming.

When a tiered environmental review in accordance with 23 CFR 771.111(g) is used, pre-award authority is NOT provided upon completion of the first tier environmental document except when the Tier-1 ROD or FONSI signed by FTA explicitly provides such pre-award authority for a particular identified acquisition. Project sponsors should use pre-award authority for real property acquisition relocation assistance with a clear understanding that it does not constitute a funding commitment by FTA. FTA provides pre-award authority upon completion of the environmental review process for real property acquisition and relocation assistance to maximize the time available to project sponsors to move people out of their homes and places of business, in accordance with the requirements of the URA, but also with maximum sensitivity to the circumstances of the people so affected.

ii. Reimbursement of Costs Incurred under Pre-Award Authority

Although FTA provides pre-award authority for property acquisition, long lead items, and vehicle purchases upon completion of the environmental review process, FTA will not make a grant to reimburse the sponsor for real estate activities, vehicle purchases or purchases of long lead items conducted under pre-award authority until the project receives its construction grant. This is to ensure that Federal funds are not risked on a project whose advancement into construction is still not yet assured.

iii. National Environmental Policy Act (NEPA) Activities

NEPA requires that major projects proposed for FTA funding assistance be subjected to a public and interagency review of the need for the project, its environmental and community impacts, and alternatives to avoid and reduce adverse impacts. Projects of more limited scope also need a level of environmental review, either to support an FTA finding of no significant impact (FONSI) or to demonstrate that the action is categorically excluded (i.e., CE) from the more rigorous level of NEPA review. FTA's regulation titled ''Environmental Impact and Related Procedures,'' at 23 CFR Part 771 states that the costs incurred by a grant applicant for the preparation of environmental documents requested by FTA are eligible for FTA financial assistance (23 CFR 771.105(e)). Accordingly, FTA extends pre-award authority for costs incurred to comply with NEPA regulations and to conduct NEPA-related activities, effective as of the earlier of the following two dates: (1) The date of the Federal approval of the relevant STIP or STIP amendment that includes the project or any phase of the project, or that includes a project grouping under 23 CFR 450.216(j) that includes the project; or (2) the date that FTA approves the project into project development. The grant applicant must notify the FTA regional office upon initiation of the Federal environmental review process in accordance with the ''Dear Colleague'' letter from the FTA Administrator dated February 24, 2011. NEPA-related activities include, but are not limited to, public involvement activities, historic preservation reviews, section 4(f) evaluations, wetlands evaluations, endangered species consultations, and biological assessments. This pre-award authority is strictly limited to costs incurred to conduct the NEPA process and associated engineering, and to prepare environmental, historic preservation and related documents. When a New Starts, Small Starts, or Core Capacity project is granted pre-award authority for the environmental review process, the reimbursement for NEPA activities conducted under pre-award authority may be sought at any time through section 5307 (Urbanized Area Formula Program), section 5309, or the flexible highway programs (STP and CMAQ). As with any pre-award authority, FTA reimbursement for costs incurred is not guaranteed.

iv. Other New and Small Starts and Core Capacity Project Activities Requiring Letter of No Prejudice (LONP)

Except as discussed in paragraphs i through iii above, a major capital investment project sponsor must obtain a written LONP from FTA before incurring costs for any activity. To obtain an LONP, an applicant must submit a written request accompanied by adequate information and justification to the appropriate FTA regional office, as described in B below.

B. Letter of No Prejudice (LONP) Policy

1. Policy

LONP authority allows an applicant to incur costs on a project utilizing non-Federal resources, with the understanding that the costs incurred subsequent to the issuance of the LONP may be reimbursable as eligible expenses or eligible for credit toward the local match should FTA approve the project at a later date. LONPs are applicable to projects and project activities not covered by automatic pre-award authority. The majority of LONPs will be for section 5309 capital investment program (New or Small Starts or Core Capacity) projects undertaking activities not covered under automatic pre-award authority. LONPs may be issued for formula and discretionary funds beyond the life of the current authorization or FTA's extension of automatic pre-award authority, which, by way of this notice, has been extended until September 30, 2016; however, the LONP is limited to a five-year period, unless otherwise authorized in the LONP. Recipients preparing to enter into contracts that assume federal funding beyond September 30, 2016, should contact their regional office to pursue a LONP.

2. Conditions and Federal Requirements

The conditions and requirements for pre-award authority specified in Section V.A.2 and V.A.3. above apply to all LONPs. Because project implementation activities may not be initiated before completion of the environmental review process, FTA will not issue an LONP for such activities until the environmental review process has been completed with a ROD, FONSI, or CE determination.

3. Request for LONP

Before incurring costs for project activities not covered by automatic pre-award authority, the project sponsor must first submit a written request for an LONP, accompanied by adequate information and justification, to the appropriate regional office and obtain written approval from FTA. FTA approval of an LONP is determined on a case-by-case basis. Receipt of Federal funding under the capital investment program is not implied or guaranteed by an LONP.

C. FY 2014 Annual List of Certifications and Assurances

The full text of the FY 2014 Certifications and Assurances was published in the **Federal Register** on February 1, 2014 and is available on the FTA Web site and in TEAM-Web. The FY 2014 Certifications and Assurances must be used for all grants and cooperative agreements awarded in FY 2014. All recipients with active projects are required to sign the FY 2014 Certifications and Assurances within 90 days after its publication.

D. Civil Rights Requirements

1. Americans With Disabilities Act (ADA)

The ADA Standards issued by the Department of Transportation (DOT) apply to facilities used by state and local governments to provide designated public transportation services, including bus stops and stations, and rail stations. Other types of facilities covered by the ADA are subject to similar ADA Standards issued by the Department of Justice. Both the DOT and DOJ standards are based on the Board's ADA Accessibility Guidelines. DOT's ADA Standards (2006) are consistent with the Access Board's updated ADA (and ABA) guidelines, but includes a few additional requirements concerning:

- Location of Accessible Routes (206.3)
- Detectable Warnings on Curb Ramps (406.8)
- Bus Boarding and Alighting Areas (810.2.2)
- Rail Station Platforms (810.5.3)

When constructing new facilities, sixty percent of all public entrances to the facility must be accessible. If there are only two entrances, both must be accessible. (See DOT ADA Standard 206.4.1.) For rail projects, no flange way gap can be greater than 2.5″ where passenger circulation paths cross tracks at grade (i.e. a street-level pedestrian crossing over streetcar tracks). (See DOT ADA Standard 810.10.) And, accessible routes that coincide with or are located in the same area as general circulation paths and elements such as ramps, elevators, and fare vending and collection must be placed to minimize the distance that wheelchair users and other persons who cannot climb steps must travel in comparison to the general public. (See DOT ADA Standard 206.3.) In addition, curb ramps must have detectable warnings (see DOT ADA Standard 406.8.) and bus boarding and alighting areas must be in compliance with the ADA–ABA Guidelines (Section 810.2), which address surfaces (sturdy), dimensions (96″ long x 60″ wide); connection to sidewalks, streets and pedestrian paths; slope (not steeper than 1:48); signs; and public address systems. (See DOT ADA Standard 810.2.) Rail station platforms must be coordinated with the vehicle floor height. Where vehicles are boarded from sidewalks or street-level, low-level platforms are permitted (see DOT ADA Standard 810.5.3). For commuter rail stations (and stations serving intercity rail systems), where platform to railcar coordination cannot be achieved, wheelchair users must have access to all accessible cars available to passengers without disabilities in each train using the station; FTA (and in some cases, FRA) approval must be granted for any plan to provide such access that does not include carborne lifts. (See DOT ADA Regulation 49 CFR 37.42.) Finally, vehicles purchased by recipients must be accessible as well as remanufactured or overhauled vehicles, (see DOT ADA Regulation 49 CFR 37.75; DOT ADA Regulation 49 CFR 37.83; and DOT ADA Regulation 49 CFR 37.89), and if a remanufactured or overhauled vehicle will not be accessible, submit information to FTA demonstrating that the structural integrity of the vehicle would be significantly compromised if made accessible by including appropriate structural engineering analysis. (See DOT ADA Regulation 49 CFR 37.75(c); DOT ADA Regulation 49 CFR 37.83(c) and DOT ADA Regulation 49 CFR 37.89(c).)

2. Title VI of the Civil Rights Act of 1964

The U.S. DOT's Title VI implementing regulations are found in 49 CFR Part 21. FTA's Title VI Circular (4702.1B) provides guidance on carrying out the regulatory requirements. For recipients in urbanized areas of 200,000 or more in population and with 50 or more fixed-route vehicles in peak service, please be advised that under normal circumstances, the recipient must conduct a service equity analysis for all service changes that meet the recipient's definition of ''major service change'' prior to implementing the service change. Recipients also must conduct a fare equity analysis for all fare increases or decreases prior to implementing a fare change. The authorizations for FTA's programs provided by MAP–21 end with FY 2014. While it is not unusual for authorizations to end at the end of a fiscal year, and this has occurred many times in the past, because of the current status of balances in the Mass Transit Account of the Highway Trust Fund, there is a greater degree of uncertainty about the nature and timeliness of enactment of a reauthorization of FTA's programs. In the event the continuation of Federal funding comes into question on or before September 30, 2014, and a recipient identified above must cut service or increase fares abruptly, FTA expects the recipient to conduct the necessary equity analyses concerning the service cuts and/or fare increases, including public outreach. However, the equity analyses may be conducted after the service cut or fare increase takes effect. The recipient must make every effort to conduct the equity analyses as expeditiously as possible after the service cuts or fare increases and implement any mitigation measures quickly should the equity analysis identify a disparate impact or disproportionate burden. In addition, 49 CFR 21.5(b)(3) provides, ''In determining the site or location of facilities, a recipient or applicant may not make selections with the purpose or effect of excluding persons from, denying them the benefits of, or subjecting them to discrimination under any program to which this regulation applies, on the grounds of race, color, or national origin; or with the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of the Act or this part.'' Further, 49 CFR Part 21, Appendix C, Section (3)(iv) provides, ''The location of projects requiring land acquisition and the displacement of persons from their residences and businesses may not be determined on the basis of race, color, or national origin.'' FTA's Title VI Circular provides the following limited exceptions to the above requirement:

For purposes of this requirement, ''facilities'' do not include bus shelters, as these are transit amenities and are covered in Chapter IV [of the Title VI circular], nor does it include transit stations, power substations, etc., as those are evaluated during project development and the NEPA process. Facilities included in this provision include, but are not limited to, storage facilities, maintenance facilities, operations centers, etc.

E. FHWA ''Flex Funding'' and Consolidated Planning Grants

Certain Federal-aid highway program funds under the title 23 may be transferred or ''flexed'' to FTA for eligible for Title 49, Chapter 53 purposes. These programs include the Surface Transportation Program (23 U.S.C. 133) (STP), the Transportation Alternatives Program (23 U.S.C. 101) (TAP), the Congestion Mitigation and Air Quality Improvement Program (23 U.S.C. 149) (CMAQ), the National Highway Performance Program (23 U.S.C. 119) (NHPP).

1. Transferring Title 23 Funds From FHWA to FTA

Section 104(f) of title 23 U.S.C. allows FHWA, at the request of the State, to transfer funds for transit capital projects and eligible operating activities that have been designated as part of the metropolitan and statewide planning and programming process. The project must be included in an approved STIP before the funds can be transferred. The State DOT may request, by letter, that the FHWA Division Office transfer highway funds for a transit project. The letter should include a description of the project as contained in the STIP, the amount to be transferred, the apportionment year, State, urbanized area, Federal-aid apportionment category (i.e., STP, CMAQ, TAP, NHPP) or other funding source, and indication of the intended FTA formula program (i.e., section 5307, 5310, or 5311). As noted in the CMAQ paragraph below, requests to transfer CMAQ funding from FHWA to FTA must also clearly identify the amount to be used for operating assistance.

Once a written request for transfer is received (using FHWA transfer request form 1576), if, upon review, the FHWA Division Office concurs in the transfer, it provides written confirmation to the State DOT and FTA that the apportionment amount is available for transfer. The FHWA Division Office provides the transfer request to the FHWA Office of Budget which transfers the funds to FTA.

FHWA funds transferred to FTA will be administered under one of the three FTA formula programs (i.e., Urbanized Area Formula (section 5307), Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities (section 5310), or Formula Grants for Rural Areas (section 5311)). Unobligated balances for High Priority projects under Section 1702 of SAFETEA–LU or Transportation Improvement projects under Section 1934 of SAFETEA–LU and other such funds for which Congress has identified a particular project that are transferred to FTA will be aligned with and administered through FTA's Urbanized Area Formula Grant Program (section 5307). Under 23 U.S.C. 104(f), FHWA funds transferred to FTA retain the same matching share that the funds would have if used for highway purposes and administered by FHWA.

Transferred funds may be used for a capital transit purpose eligible under the FTA formula program to which they are transferred. MAP–21 revised the operating assistance eligibilities under CMAQ as described in Section III.B above.

The FTA grantee's application for the project must specify the program in which the funds will be used, and the application must be prepared in accordance with the requirements and procedures governing that program. Upon review and approval of the grantee's application, FTA obligates funds for the project.

In the event that the transferred funds are not obligated for the intended purpose within the period of availability of the formula program to which they were transferred, in most instances, they become available to the State for any eligible capital transit project under the program to which they were transferred.

2. Matching Share for FHWA Transfers

Pursuant to 23 U.S.C. 104(f)(1)(B), FHWA funds transferred to FTA retain the same matching share that the funds would have if used for highway purposes and administered by FHWA. For the STP, CMAQ, and TAP programs, this Federal share is generally 80 percent, subject to upward adjustment in sliding scale States as noted below.

For a period of time under SAFETEA–LU, CMAQ funds were available at a 100 percent Federal share. Starting on October 1, 2012, the CMAQ Federal share generally will be 80 percent. There are a few instances in which a Federal share on funds transferred from FHWA can be higher than 80 percent. In States with large areas of Indian and certain public domain lands and national forests, parks and monuments, the local share for highway projects is determined by a sliding scale rate, calculated based on the percentage of public lands within that State. This sliding scale, which permits a greater Federal share, but not to exceed 95 percent, is applicable to transfers used to fund transit projects in these public land States. FHWA develops the sliding scale matching ratios for the increased Federal share. Also, there may be instances where the applicable Federal share may be reduced to a lower Federal share than is generally applicable, such as under the NHPP where the Federal share must be reduced to a maximum of 65 percent if the State DOT does not develop and implement an asset management plan.

Certain safety projects or projects that include an air quality or congestion relief component such as commuter carpooling and vanpooling projects using FHWA transfer funds administered by FTA may retain the same 100 percent Federal share; however, these projects are subject to a limitation for each State of an amount equal to 10 percent of the sums apportioned for programs under section 104 of title 23.

For further guidance, please see FHWA Order, issued on August 12, 2013 on ''Fund Transfers to Other Agencies and Among Title 23 Programs'', which is available at *http://www.fhwa.dot.gov/legsregs/directives/orders/45511.pdf*.

3. CMAQ Funds for Operating Assistance

The CMAQ program, at 23 U.S.C. 149, continues to provide a flexible funding source to State and local governments for transportation projects and programs to help achieve the goals of the Clean Air Act. Funding is available for projects that reduce congestion and improve air quality for areas that do not meet the National Ambient Air Quality Standards (NAAQS) for ozone, carbon monoxide, or particulate matter—nonattainment areas—and for areas that were out of compliance but have now met the standards—maintenance areas. Transit investments, including transit vehicle acquisitions and construction of new facilities or improvements to facilities that increase transit capacity may be eligible for CMAQ funds. Under limited circumstances, funds may also be used for operating assistance. Refer to the CMAQ Interim Guidance, as well as the discussion in Section III.B above, for additional information.

Going forward, all CMAQ transfer requests initiated by grantees to the MPO and State, and ultimately processed from FHWA to FTA, must clearly identify whether the CMAQ funds will be used for operating assistance or capital projects. Grantees must clearly identify the operating assistance amounts in the grant budget and, also, when requesting expenditures in ECHO-Web.

4. Consolidated Planning Grants

FTA and FHWA planning funds under both the Metropolitan Planning and State Planning and Research Programs can be consolidated into a single consolidated planning grant, awarded by either FTA or FHWA. The CPG eliminates the need to monitor individual fund sources, if several have been used, and ensures that the oldest funds will always be used first. Under the CPG, States can report metropolitan planning program expenditures (to comply with the Single Audit Act) for both FTA and FHWA under the Catalogue of Federal Domestic Assistance number for FTA's Metropolitan Planning Program (20.505). Additionally, for States with an FHWA Metropolitan Planning (PL) fund-matching ratio greater than 80 percent, the State can waive the 20 percent local share requirement, with FTA's concurrence, to allow FTA funds used for metropolitan planning in a CPG to be granted at the higher FHWA rate. For some States, this Federal match rate can exceed 90 percent.

States interested in transferring planning funds between FTA and FHWA should contact the FTA Regional Office or FHWA Division Office for more detailed procedures. Current guidelines are included FHWA's Order dated August 12, 2013, on ''Fund Transfers to Other Agencies and Among Title 23 Programs'', which is available at *http://www.fhwa.dot.gov/legsregs/directives/orders/45511.pdf*.

For further information on CPGs, contact Nancy Grubb, Office of Budget and Policy, FTA, at (202) 366–1635.

F. Grant Application Procedures

During FY 2014, FTA grantees may be making grants for both SAFETEA–LU authorized program funds (carryover balances) and MAP–21 authorized program funds. There may be different requirements depending on the program and the year of funds and different eligibility depending on the program. As such, it is critical that grantees work closely with the regional and metro office staff to plan and develop their grant portfolio for FY 2014. In April 2013, FTA also conducted TEAM training for grantees to prepare MAP–21 grants; copies of the materials from that training are available on the TEAM home page.

All applications for FTA funds should be submitted to the appropriate FTA regional office. FTA utilizes TEAM-Web, an Internet-accessible electronic grant application system, and all applications are filed electronically. As noted in Section III of this notice, FTA will continue to use its TEAM to award and manage all grants, cooperative agreements, and other funding instruments throughout FY 2014. However, beginning in October 2014 FTA expects to award and manage grants through the Transit Award and Management System (TrAMS) its successor to TEAM. Grantees should review Section III of this notice for more information on TrAMS. As noted earlier, to facilitate the transition to the TrAMS, recipients are asked to have all grant applications submitted in TEAM by June 30, 2014 so that FTA has adequate time to award the grant by the end of FY 2014. FTA cannot guarantee that applications not awarded in TEAM by the end of FY 2014 will be migrated into TrAMS.

FTA regional staff is responsible for working with grantees to review and process grant applications. In order for an application to be considered complete and for FTA to assign a grant number, enabling submission in TEAM-Web and submitted to Department of Labor (when applicable), the following requirements must be met:

- Recipient's contact information, including Dun and Bradstreet Data Universal Numbering System (DUNS), is correct and up-to-date. If requested by phone (1–866–705–5711), DUNS is provided immediately. If your organization does not have one, you will need to go to the Dun & Bradstreet Web site at *http://fedgov.dnb.com/webform* to obtain the number.
- Recipient has registered in the System for Award Management (SAM) and its registration is current. (*https://www.sam.gov*)
- Recipient has properly submitted its annual certifications and assurances.
- Recipient's Civil Rights submissions are current and approved.
- Documentation is on file to support recipient's status as either a designated recipient (for the program and area) or a direct recipient.
- Funding is available, including any flexible funds included in the budget, and split letters or suballocation letters on file (where applicable) to support amount being applied for in grant application.
- The project is listed in a currently approved Transportation Improvement Program (TIP); Statewide Transportation Improvement Program (STIP), or Unified Planning Work Program (UPWP).
- All eligibility issues are resolved.
- Required environmental findings are made.
- The project budget's Activity Line Items (ALI), scope, and project description meet FTA requirements.
- Local share funding source(s) is identified.
- For projects involving new construction (using at least $100 million in New Starts or formula funds), FTA has reviewed the project management plan and given approval.
- Milestone information is complete, or FTA determines that milestone information can be finalized before the grant is ready for award. FTA will also review status of other open grants' reports to confirm financial and milestone information is current on other open grants and projects.

Before FTA can award grants for discretionary projects and activities, notification must be given to the House and Senate authorizing and appropriations committees.

Other important issues that impact FTA grant processing activities are discussed below.

1. Combining Program Funds in a Grant

FTA has updated its internal budgeting rules and systems of funds controls to reflect program changes made in MAP–21. Because MAP–21 consolidated several programs and replaced some programs with new formulas or created new formula programs, there will be some instances where SAFETEA–LU program funds cannot be combined in a grant with MAP–21 program funds. Specifically, where a program was repealed and replacement activities are eligible in a new program in a new section of statute, the grantee will be required to develop a separate grant for the MAP–21 program. For example, section 5309 Bus and Bus Facilities funds (SAFETEA–LU) cannot be combined with section 5339 Bus and Bus Facilities funds (MAP–21) because of the inherent difference in the programs, issues with tracking the discretionary program funds, and the process for notifying Congress when the funds are being obligated.

Additionally, program funds from different sections of statute cannot be combined with each other, unless, there is a specific transfer provision in MAP–21 for the program. At this time in FTA's electronic grant system, separate grants are required for each program, unless a program permits an administrative transfer of the funds to another program. For example, since there are no provisions for administrative transfers from or to section 5310 or 5337, these program funds must be applied for in separate grants from each other and from other programs, such as section 5307 and section 5339.

2. Grant Budgets—SCOPE and ALI Codes; Financial Purpose Codes

FTA uses the SCOPE and Activity Line Item (ALI) Codes in the grant budgets to track program trends, to report to Congress, and to respond to requests from the Inspector General and the Government Accountability Office (GAO), as well as to manage grants. The accuracy of the data is dependent on the careful and correct use of codes. FTA is in the process of revising the SCOPE and ALI table to include new codes for the newly eligible capital items, to better track certain expenditures, and to accommodate the new programs. FTA encourages grantees to review the table before selecting codes from the drop-down menus in TEAM-Web while creating a grant budget. Additional information about how to use the SCOPE and ALI codes to accurately code budgets will be added to the resources available through TEAM-Web.

Under sections 5307 and 5311, FTA will continue to use the SCOPE established for job access and reverse projects (646–00) in order to track the use of these program funds for this eligible purpose. Similarly, for section

5310 grants made with FY 2013 and later funds, FTA will continue to use the SCOPE established for ''new-freedom'' type projects (647–00).

In addition to SCOPE and ALI codes, FTA uses financial purpose codes (FPCs) to identify specific funding uses and track the actual obligations and expenditures of funds to a specific use, such as capital, planning, or operating. FPCs are identified at the time program funds are reserved and must be identified when a grantee requests a draw-down in ECHO-web. The available FPCs differ by program, based on the programs eligibility. For example, in a grant for a capital-only program (e.g. section 5337 or 5339), the funds would be obligated using FPC 00. Grantees should be aware that several new FPCs were introduced for MAP–21 grants, particularly for section 5307, 5310, and 5311 to track eligible uses like job access and reverse commute projects and new-freedom projects. Grantees should pay close attention to the FPCs used when their grants are obligated so they use the correct FPCs in their ECHO-Web requests.

3. Designated and Direct Recipients, Documentation and Supplemental Agreements

For its formula programs, FTA primarily apportions funds to the Designated Recipient in the large UZAs (areas over 200,000), or for areas under 200,000 (small UZAs and rural areas), it apportions the funds to the Governor, or its designee (e.g. State DOT). Depending on the program and as described in the individual program sections found in Section IV of this notice, further suballocation of funds may be permitted to eligible recipients who can then apply directly to FTA for the funding (''direct recipients''), so long as the required documentation is on file. However, there are certain programs under MAP–21 whereby FTA will only award grants to the designated recipients for the area or program. These include sections 5310 and 5339.

For the programs in which FTA can make grants to eligible direct recipients, other than the Designated Recipient(s), recipients are reminded that documentation must be on file to support the (1) status of the recipient either as a Designated Recipient or direct recipient; and (2) the allocation of funds to the direct recipient. Additionally, FTA requires a supplemental agreement to be pinned to the grant in TEAM-Web prior to grant execution. The supplemental agreement is required when the recipient of the funds is not the Designated Recipient. It permits the grant recipient (e.g. direct recipient) to receive and dispense the Federal funds and sets forth that the grant recipient is assuming all responsibilities of the grant agreement.

Under MAP–21, with the exception of the new UZAs resulting from the 2010 Census under the section 5307 program, the only program for which NEW designations are needed in the large urbanized areas before a grant can be made is section 5310. Before the first grant application in a large UZAs under section 5310 is submitted to FTA, the Governor must designate an agency charged with administering the Enhanced Mobility of Seniors and Individuals with Disabilities funds. This designation must be on file with the Regional office prior to the award of any section 5310 grants in large UZAs.

For all other programs, documentation to support existing designated recipients for the UZA must also be on file at the time of the first application in FY 2014. Further, split letters and/or suballocation letters (Governor's Apportionment letters), must also be on file to support grant applications from direct recipients.

4. Payments

Once a grant has been awarded and executed, requests for payment can be processed. To process payments FTA uses ECHO-Web, an Internet accessible system that provides grantees the capability to submit payment requests on-line, as well as receive user-IDs and passwords via email. New applicants should contact the appropriate FTA regional office to obtain and submit the registration package necessary for set-up under ECHO-Web.

5. Oversight

FTA is responsible for conducting oversight activities to help ensure that grants recipients use FTA federal financial assistance in a manner consistent with their intended purpose and in compliance with regulatory and statutory requirements. FTA conducts periodic oversight reviews to assess grantee compliance with applicable Federal requirements. Each Urbanized Area Formula Program recipient is reviewed every three years, (also known as FTA's Triennial Review); and States and state-wide public transportation agencies are reviewed periodically to assess the management practices and program implementation of FTA state-wide programs (e.g. Planning, Rural Areas, Enhanced Mobility of Seniors and Individuals with Disabilities Programs). Other more detailed reviews are scheduled based on an annual grantee oversight assessment. Important objectives of FTA's oversight program include, but are not limited to: Determining grantee compliance with Federal requirements; identifying technical assistance needs, and delivering technical assistance to meet those needs; spotting emerging issues with grantees in a forward-looking fashion; recognizing when there is a need for more in-depth reviews in the areas of procurement, financial management, and civil rights; and identifying grantees with recurring or systemic issues. FTA will develop appropriate oversight procedures for the new programs authorized by MAP–21.

6. Technical Assistance

As noted throughout the notice, FTA continues to rely on many of the existing program circulars for general program guidance. FTA is continuing to update the program circulars, with an opportunity for notice and comment, to reflect changes under MAP–21. In the meantime, if you have any questions, please do not hesitate to contact FTA. FTA headquarters and regional staff will be pleased to answer your questions and provide any technical assistance you may need to apply for FTA program funds and manage the grants you receive. At its discretion, FTA may also use program oversight consultants to provide technical assistance to grantees on a case by case basis. This notice and the program guidance circulars previously identified in this document may be accessed via the FTA Web site at *www.fta.dot.gov*.

G. Grant Management

Recipients of FTA funds are reminded that all FTA grantees require some level of grant reporting and that it is critical to ensure reports demonstrate reasonable progress is being made on the project. At a minimum, all grants require a Federal Financial Report (FFR) and a Milestone Progress Report (MPR) on an annual basis, with some reports required quarterly depending on the recipient and the type of projects funded under the grant. The requirements for these reports and other reporting requirements can be found in FTA Circular 5010.1D, *Grant Management Requirements,* dated August 27, 2012. FTA staff, auditors, and contractors rely on the information provided in the FFR and MPR to review and report on the status of both financial and project-level activities contained in the grant. It is critical that recipients provide accurate and complete information in these reports and submit them by the required due date. Failure to report and/or demonstrate reasonable progress on projects can result in suspension or close-out of a grant.

In FY 2014, FTA will continue to focus on inactive grants and grants that do not comply with reporting requirements and, if appropriate, will take action to close out and deobligate funds from these grants if reasonable progress is not being made. The efficient use of funds will further FTA's fulfillment of its mission to provide efficient and effective public transportation systems for the nation.

In October of 2013 FTA identified a list of grants that were awarded on or prior to September 30, 2010 and have had no funds disbursed since September 30, 2012 or have never had a disbursement.

FTA regional offices will be contacting grant recipients with one or more grants that meet this criteria to notify them that FTA intends to close the grant and deobligate any remaining funds unless the grantee can provide information that demonstrates that the projects funded by the grant remain active and the grantee has a realistic schedule to expedite completion of the projects funded in the grant.

Therese McMillan,

Deputy Administrator.

[FR Doc. 2014–04759 Filed 3–7–14; 8:45 am]

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