



MPDG - Frequently Asked Questions

[MPDG Opportunity - General FAQ](#)

1. How do I submit an application?

Applications must be submitted through Grants.gov. Please visit <https://www.transportation.gov/grants/mpdg-how-apply> for detailed instructions on how to apply.

2. If the same project is eligible under more than one of the three grant programs within the MPDG Opportunity, do we need to apply multiple times?

No. Applicants that wish to submit the same application to be considered for more than one grant program under the MPDG combined NOFO only need to submit their application through one Grants.gov opportunity number and that application will be considered for all programs for which it is not opted-out or ineligible. It is not necessary to submit multiple of the same application under the other MPDG Grants.gov opportunities.

3. When is the application deadline?

Applications are due by 11:59:59 pm Eastern on May 6, 2024 on Grants.gov.

4. What if I am having technical issues with grants.gov?

You can contact the Grants.gov Customer Support Hotline at 1-800-518-4726 or support@gants.gov.

5. Do I have to decide if I am applying for 2025 or 2026 funding when I submit an application?

No. Applications will be considered for both 2025 and 2026 funding. The Department is assessing the readiness of all projects based on their ability to obligate funding by September 30, 2028. Funding fiscal year and source is at the Department's discretion and is determined at the time of award; all applicants should plan to obligate funds prior to September 30, 2028.

6. How much funding is available?

Approximately \$5.1 billion is available from FY 2025 and FY 2026 MPDG opportunity funds. Approximately \$1.7 billion from FY 2025 and FY 2026 will be made available for the Mega program, approximately \$2.7 billion will be made available for the INFRA program, and approximately \$780 million will be made available for the Rural program. All awards are subject to availability of funds for FY 2025 and FY 2026.

7. What are the criteria that will be used to assess applications and are the criteria the same for all three programs in the MPDG NOFO?

Yes, all applications will receive the same evaluation, with the exception of statutory requirements which vary by program and project size. All applications will be evaluated for Outcome Areas (safety; state of good repair; economic impacts, freight movement, job creation; climate change, resilience, and the environment; equity, multimodal options, and quality of life; innovation), Economic Analysis, Project Readiness (environmental, technical, and financial), and Statutory Requirements.

8. Can these programs fund planning-only or development phase-only projects?

Development phase activities and other planning or pre-construction activities are eligible costs. These may be eligible costs as part of capital construction projects, or as a standalone activity. However, applicants should carefully review the selection criteria and evaluation of statutory requirements described in NOFO Section E; development phase activities as a standalone project may be less competitive by the nature of the evaluation structure and statutory requirements described in Section E of the NOFO.

9. Can toll credits be used to meet the non-Federal share requirements within the MPDG opportunity?

A State may use toll credits toward the non-Federal share requirement for the INFRA and Rural grant programs but not for Mega. States should refer to 23 U.S.C. 120(i) for detailed information on the terms governing the use of toll credits.

10. What are the definitions for urban and rural under MPDG?

A project is designated as urban if it is located within or exactly on the boundary of a 2020 Census-designated Urban Area (UA), and that UA had a population greater than 200,000.

- A project will be designated as rural if it is located: In an urban area that had a population less than 200,000 in the 2020 Census, or

Outside of any urban area.

- To determine if a project location is urban or rural, please consult resources at the following site: <https://www.transportation.gov/grants/rural-areas-defined>.

For projects that include expenditures in both urban areas and rural areas, the Department will designate the project as urban or rural based on where the majority of project funds will be spent.

11. Will the Department provide feedback or debriefs on previous applications?

MPDG team members are available to provide feedback on previous applications until the application deadline. Unsuccessful FY 2023 - 2024 applicants were already contacted to schedule a debrief. If you are interested in a debrief and have not received one already, please contact MPDGGrants@dot.gov.

12. What is allowed under local and economic hiring preferences? How will local hire be evaluated in the MPDG Opportunity?

The use of local and economic hiring preferences will be evaluated under criterion #3 "Economic Impacts, Freight Movement, and Job Creation" and criterion #5 "Equity, Multimodal Options, and Quality of Life."

Under criterion #3, local and economic hiring is one way that an applicant can demonstrate that the project is providing opportunities for workers, including workers underrepresented in construction jobs. Under criterion #5, it is one example of a policy that promotes the hiring of underrepresented populations.

The BIL, enacted as the Infrastructure Investment and Jobs Act, Public Law 117-58 (Nov. 15, 2021), authorizes a recipient or subrecipient of a grant provided by the DOT Secretary under Title 23 or 49, United States Code (U.S.C) to implement a local or other geographical or economic hiring preference

relating to the use of labor for construction of a project funded by the grant, including pre-hire agreements, subject to any applicable State and local laws, policies, and procedures. BIL, §25019(a)(1).

<https://www.federalregister.gov/documents/2022/02/11/2022-02974/enhancing-highway-workforce-development-opportunities-contracting-initiative>

If applicants are interested in models of local and economic hiring, they can refer to pilots previously approved by the Federal Highway Administration. The list of those pilots can be found here: https://www.fhwa.dot.gov/construction/cqit/sep14local_projects.cfm Many of the local and economic hiring preferences used in these pilots are now permissible under BIL, but this list is not meant to be exhaustive and excludes many models of local, geographical, or economic hiring preferences that are allowable.

Local and economic hiring preferences will be evaluated under criterion #3 and #5. For both, applicants may address how their local and economic hiring preferences provide opportunities for all workers, including workers underrepresented in construction jobs, to be trained and placed in good-paying jobs directly related to the project. While underrepresented groups vary based on local demographics and specific construction jobs, such groups may include: women, people of color, including Black, Latino, Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color, and individuals with disabilities. Applicants may provide information on groups that have been underrepresented historically on their projects and how the local and economic hiring preferences they plan to use will expand the representation of those groups.

13. How will registered apprenticeship be considered for the MPDG Opportunity?

The use of registered apprentices will be evaluated under the “Economic Impacts, Freight Movement, and Job Creation” merit criterion for the MPDG Opportunity. Applicants may demonstrate how the use of registered apprenticeship on the grant project creates good paying jobs. Applicants can describe a number of ways they use registered apprenticeship, including apprenticeship utilization rate goals for the project or other commitments to open up or create new registered apprenticeship slots on the project. The apprenticeship program must be registered and the application could identify the registered apprenticeship sponsor they are working with to demonstrate the program is registered. You can learn more about Registered apprenticeship at [apprenticeship.gov](https://www.apprenticeship.gov). You can also use this resource to help find a sponsor and other partners in your area <https://www.apprenticeship.gov/partner-finder>. There may be active apprenticeship grantees in your areas as well: <https://www.apprenticeship.gov/investments-tax-credits-and-tuition-support/awardee-search>

Note that workforce opportunities for underrepresented populations and policies to promote the hiring of underrepresented populations development programs on the grant project will be evaluated under the “Equity, Multimodal Options, and Quality of Life” merit criterion.

14. How will workforce development strategy be considered for the MPDG Opportunity?

Incorporating workforce strategies will be considered under the “Economic Impacts, Freight Movement, and Job Creation” merit criterion and the “Equity, Multimodal Options, and Quality of Life” merit criterion.

To address the “Economic Impacts, Freight Movement, and Job Creation” merit criterion, applicants would describe how workforce strategies are targeted to underrepresented populations or developed in partnership with underrepresented populations. While underrepresented groups vary based on local demographics and specific construction jobs, such groups may include: women, people of color,

including Black, Latino, Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color, and individuals with disabilities. Applicants may provide information on groups that have been underrepresented historically on their projects and how their workforce development strategy will reach these groups. Applicants may describe how they have or will identify upcoming workforce needs related to the grant scope and programs that reach underrepresented populations. This could include partnerships with labor-management training programs, workforce boards, community colleges, or other relevant programs. If no training programs/initiatives exist to meet the specific labor needs of the grant project and bring in underrepresented populations, the applicant could describe their plan to support the creation of new programs or initiatives with state, region or local workforce partners. One resource is:

<https://www.careeronestop.org/LocalHelp/WorkforceDevelopment/find-workforce-development-boards.aspx>. DOT will evaluate how the grant project's workforce plan is tailored to support particular underrepresented communities supports and engages diverse people and communities.

Some workforce strategies are also called out in the "Economic Impacts, Freight Movement, and Job Creation" merit criterion as a way to demonstrate the creation of high-quality jobs with strong labor standards. This includes registered apprenticeship and joint labor management training which are training programs developed in partnership with unions.

Workforce strategies will also be considered under the "Equity, Multimodal Options, and Quality of Life" merit criterion. To address this criterion, workforce development strategies need to be one component of a comprehensive set of policies to promote the hiring of underrepresented populations. This criterion refers to high-quality programs that help train, place, and retain people in good-paying jobs or registered apprenticeships. Applicants may provide information on how the workforce development strategies used have resulted in training, placing, and retaining people in jobs in the past and provide information on the quality of those jobs. Quality of these jobs can also be documented by a signed letter from a labor union, or worker organization that describes the number and characteristics of high-quality jobs on the project. Applicants may also describe how workforce programs lead individuals into registered apprenticeship positions.

15. Can applicants use grant funding from the MPDG Opportunity to pay for what some would call a "jobs or workforce coordinator"?

To the extent an awarded project requires a jobs coordinator to complete the project, the costs of that coordinator may be allocable to the grants within the MPDG Opportunity and allowable for reimbursement or use as cost share. See 2 CFR 200.405 for a complete description of allocable costs. Please note, costs incurred prior to award are not eligible.

Costs of the coordinator that are allocable to other Federal awards or other activities are not eligible project costs under the grants available under the MPDG Opportunity. The costs of a jobs coordinator dedicated to operational aspects of the project post-construction, or for positions otherwise not associated with the awarded project are not allocable to a grant awarded from the MPDG Opportunity and cannot be reimbursed.

16. Can applicants use MPDG grant funding to pay for short-term training that gets people into jobs on the project?

If completing an awarded project requires training the recipient's employees, training costs may be allocable to the grants in the MPDG Opportunity and allowable for reimbursement or use as cost share.

See 2 CFR 200.405 for a complete description of allocable costs. Please note, costs incurred prior to award are not eligible.

If the recipient of a grant from the MPDG Opportunity makes contract awards to carry out the project, the bidding specifications for those contracts may include necessary training and qualification requirements.

17. What are Supportive Services and can applicants use MPDG funding to pay for supportive services?

Supportive services include childcare, emergency cash assistance for items such as tools, work clothing, application fees and other costs of apprenticeship or required pre-employment training, transportation and travel to training and work sites, and services aimed at helping to retain underrepresented groups like mentoring, support groups, and peer networking.

If completing a project requires training the recipient's employees, training costs may be allocable to the grants in the MPDG Opportunity and allowable for reimbursement or use as cost share. See 2 CFR 200.405 for a complete description of allocable costs. Please note, costs incurred prior to award are not eligible.

18. If a consulting firm is hired to help develop a MPDG grant application and that project is selected for a MPDG grants award, can that same firm be hired to perform the construction project design and engineering after award?

Under 2 CFR 200.317 and 1201.317, if the recipient of the MPDG grant is a state, then the recipient must follow the same policies and procedures it uses for procurements from its non-Federal funds, and the answer to this question is dependent on those policies and procedures.

If the recipient is not a state, the answer is yes, the same firm may be hired if necessary competition requirements are satisfied. Per CFR 200.319, all procurement transactions must be conducted in a manner that provides full and open competition, eliminates unfair competitive advantage, and ensures objective contractor performance. Project sponsors must avoid creating situations that would unfairly favor the firm that helped develop the MPDG application or preclude other firms from competing. Additionally, the contractor that the project sponsor hires to draft its solicitation for proposals for the construction project design and engineering work must be excluded from competing for that procurement.

[Mega Grant - FAQ](#)

1. What is the Mega Grant Program?

Mega Grants are awarded on a competitive basis for investments in surface transportation infrastructure that will have a significant national or regional impact. Mega Grant Funds were authorized under the National Infrastructure Project Assistance Program (49 U.S.C. 6701) in the Infrastructure Investment and Jobs Act, known as the Bipartisan Infrastructure Law (BIL). Mega Grants will support large, complex projects that are difficult to fund by other means and likely to generate national or regional economic, mobility, or safety benefits.

Eligible project types include:

1. A highway or bridge project on the National Multimodal Freight Network
2. A highway or bridge project on the National Highway Freight Network

3. A highway or bridge project on the National Highway System
4. A freight intermodal (including public ports) or freight rail project that provides public benefit
5. A railway highway grade separation or elimination project
6. An intercity passenger rail project
7. A public transportation project that is eligible under assistance under Chapter 53 of title 49 and is a part of any of the project types described above

2. Who can apply for a Mega grant?

1. a State or a group of States;
2. a metropolitan planning organization;
3. a unit of local government;
4. a political subdivision of a State;
5. a special purpose district or public authority with a transportation function, including a port authority;
6. a Tribal government or a consortium of Tribal governments;
7. a partnership between Amtrak and 1 or more entities described in 1 through 5; and
8. a group of entities described in 1 through 6.

3. What costs does DOT count toward the minimum project size requirement for Mega projects?

For the purpose of determining whether a Mega application satisfies the minimum project size requirement, the Department will sum applicant-identified previously incurred costs and future eligible costs that will be within the scope of the award.

Previously incurred costs are included only if the applicant shows they were eligible project costs for Mega grants and were expended as part of the project for which the applicant seeks a Mega award.

If the applicant intends to incur some future costs outside the scope of the award, then those out-of-scope costs will not be used to determine if the project satisfies the minimum project size requirement. For example, if a project will be completed in sequential phases the applicant requests funding for only the first phase and the applicant intends to commit to completing only the first phase under the award, then the costs of subsequent phases will not count toward satisfying the minimum size threshold.

4. Can previously incurred expenses that DOT counts toward the minimum project size requirement for Mega projects be reimbursed from the Mega award? Do they count toward the minimum non-Federal share requirement?

No. Though some previously incurred expenses may be used to satisfy the minimum project size requirement (as explained in greater detail above), those costs cannot be reimbursed from the Mega award and do not count toward minimum non-Federal share requirements.

5. How will the Department consider applications for pre-construction or development phase activities only under the Mega program?

Development phase activities are eligible project costs under the MEGA program, however, applicants should carefully review the selection criteria and evaluation of statutory requirements described in NOFO Section E; development phase activities as a standalone project may be less competitive by nature of the evaluation structure described in Section E.

Additionally, the minimum project size for Mega funding is \$100 million. See prior FAQ which addresses how the Department counts some previously incurred costs and future eligible costs toward that requirement.

6. How will the Department determine if a public transportation project is eligible under the Mega program?

Under 49 U.S.C. 6701(d)(1)(E) if it satisfies both of two requirements: (1) it must be eligible for assistance under chapter 53 of title 49 of the United States Code, which authorizes the Federal Transit Administration's programs; and (2) it must be part of a project that is otherwise eligible, as enumerated in 49 U.S.C. 6701(d)(1)(A)–(D): a highway and bridge project, a freight intermodal or freight rail project, railway-highway grade separation or elimination project, or an intercity passenger rail project.

For a public transportation project to qualify under the Mega program as being “part of a project” listed in 49 U.S.C. 6701(d)(1)(A)–(D):

- the public transportation project must be advanced as a component of a project eligible under 49 U.S.C. 6701(d)(1)(A)–(D);
- the public transportation project component must be necessary to achieve the transportation goal of the project eligible under 49 U.S.C. 6701(d)(1)(A)–(D); and
- the Department must determine that a primary purpose of the entire project is to advance the project eligible under 49 U.S.C. 6701 (d)(1)(A)–(D).

To determine the primary purpose of the entire project, the Department will review the grant application and proposed project components and consider the relative benefits from the public transportation project and the other components of the entire project, based on information in the application, public outreach materials, environmental documentation, and planning documents. The project may serve multiple primary purposes.

Eligibility includes new multi-modal projects where the addition of the public transportation component to an eligible project under 49 U.S.C. 6701 (d)(1)(A)–(D) provides a significant improvement to the mobility benefits for users of highways or intercity passenger rail. The burden is on the applicant to provide sufficient documentation and support, narrative justification, and benefit cost analysis detail, to allow the Department to evaluate the project's eligibility as described above.

7. Is a standalone multimodal transit center with light rail service and bus service eligible under the Mega grant program?

No. As described in greater detail in response to a question above, to be eligible for Mega funding, a public transportation project must also be a part of another eligible project type, such as an intercity passenger rail project or a highway project on the national highway system. A multimodal transit center that serves only light rail public transportation and bus public transportation is not independently eligible.

8. Is a passenger rail station that will serve both Commuter Rail and Intercity Amtrak trains eligible under the Mega program?

Yes. An eligible intercity passenger rail project for the Mega Grant program is project that is defined as “intercity rail passenger transportation” in 49 U.S.C. 24102(4), and includes infrastructure, equipment, or a facility used for providing intercity passenger rail service.

The portions of a station used to provide intercity passenger rail service qualify as a “facility.” If the station will serve both commuter rail services and intercity passenger rail services, the applicant should demonstrate that the intercity passenger rail service is a primary purpose of the station. Project components that serve only commuter rail service are eligible only to the extent that those components would be eligible as public transportation projects, as described in greater detail in response to a question above.

For example, a station that would be served by intercity passenger rail service on a regular schedule would be eligible. In contrast, a station that would be used only if emergencies precluded intercity passenger rail service to other stations would not be eligible.

INFRA Grant - FAQ

1. What is the INFRA Grant Program?

INFRA Grants (known in statute as the Nationally Significant Multimodal Freight & Highway Projects) awards competitive grants for multimodal freight and highway projects of national or regional significance to improve the safety, efficiency, and reliability of the movement of freight and people in and across rural and urban areas.

For examples of projects previously awarded under the program, please visit:
<https://www.transportation.gov/grants/infra-grants-program>

2. Who are eligible applicants for INFRA?

Eligible applicants for INFRA grants are:

- a State or group of States;
- a metropolitan planning organization that serves an urbanized area (as defined by the Bureau of the Census) with a population of more than 200,000 individuals;
- a unit of local government or group of local governments;
- a political subdivision of a State or local government;
- a special purpose district or public authority with a transportation function, including a port authority;
- a Federal land management agency that applies jointly with a State or group of States;
- a tribal government or a consortium of tribal governments;
- a multistate corridor organization (as defined in 23 U.S.C. 117(r)); or
- a multi-State or multijurisdictional group of public entities.

3. Can multiple States or jurisdictions apply together?

Yes. However, multiple States or jurisdictions that submit a joint application should identify a lead applicant as the primary point of contact. Each applicant in a joint application must be an eligible applicant. Joint applications should include a description of the roles and responsibilities of each applicant and should be signed by each applicant.

4. What types of projects are eligible for INFRA?

To be eligible for an INFRA grant, a project must be one of the following:

- A highway freight project carried out on the National Highway Freight Network(23 U.S.C. 167)

- A highway or bridge project carried out on the National Highway System (NHS) including projects that add capacity on the Interstate System to improve mobility or projects in a national scenic area
- A freight intermodal, freight rail, or freight project within the boundaries of a public or private freight rail, water (including ports), or intermodal facility and that is a surface transportation infrastructure project necessary to facilitate direct intermodal interchange, transfer, or access into or out of the facility*
- A highway-railway grade crossing or grade separation project
- A wildlife crossing project
- A surface transportation project within the boundaries or functionally connected to an international border crossing that improves a facility owned by Fed/State/local government and increases throughput efficiency
- A project for a marine highway corridor that is functionally connected to the NHFN and is likely to reduce road mobile source emissions
- A highway, bridge, or freight project on the National Multimodal Freight Network

*To be eligible under INFRA, a project within the boundaries of a freight rail, water (including ports), or intermodal facility must be a surface transportation infrastructure project necessary to facilitate direct intermodal interchange, transfer, or access into or out of the facility and must significantly improve freight movement on the NHFN. In this context, improving freight movement on the NHFN may include shifting freight transportation to other modes, thereby reducing congestion and bottlenecks on the NHFN. For a freight project within the boundaries of a freight rail, water (including ports), or intermodal facility, Federal funds can only support project elements that provide public benefits. There is also a cap on the amount that can be awarded to these projects- see NOFO.

5. When is the latest eligible obligation date and how will the Department assess whether a project is reasonably expected to begin construction not later than 18 months after the date of obligation of funds for the project?

Obligation occurs when necessary permits are approved, the non-Federal funding contribution is in hand, and a grant agreement is executed between the recipient and the Department. Per statute, at the very latest for INFRA grant FY 2025, funds must be obligated by September 30, 2028. If a project obligates in September 2028, then it would need to begin construction by March 30, 2030 to meet the 18-month requirement. A large project with obligation and construction schedules before those deadlines presents less risk. Applications should provide a sufficient amount of detail in the project schedule to allow the Department to make this risk assessment. Such detail should include dates for major project development milestones, completion of preliminary engineering, final design, approval of the plans, specifications, and estimate, and start of construction for the project.

6. What is the difference between a small and large project?

The minimum project size for large projects is the lesser of (1) \$100 million; (2) 30 percent of a State's most recent Federal-aid apportionment if the project is located in one State. The only States that have a large project threshold lower than \$100 million are listed below with their thresholds, which are based on the FY 2024 Federal-aid apportionment:

- Delaware: \$70 million
- District of Columbia: \$66 million

- Hawaii: \$70 million
- Maine: \$76 million
- New Hampshire: \$68 million
- Rhode Island: \$91 million
- Vermont: \$84 million

All multi-State projects meet the \$100 million threshold. Per statute, an INFRA Large grant must be at least \$25 million.

A small project is an eligible project that does not meet the minimum project size described in the previous Section. Per statute, an INFRA Small grant must be at least \$5 million.

7. What is the minimum grant amount?

The minimum award for a large project is \$25 million. The minimum award for a small project is \$5 million.

8. Do minimum project size requirements apply to all applicants for large projects?

Yes, minimum project size requirements are determined by the State(s) in which the project is located, even if the applicant is not a State. For example, the minimum project size requirement for a port authority seeking a INFRA grant is based on the funds apportioned to the State in which the project is located. Similarly, if the example project is located in more than one State, the cost threshold would be based on the funds apportioned to the one State, among the States in which the project is located, with the largest apportionment.

9. Can previously incurred expenses count toward meeting the minimum project size requirement for INFRA Grants for large projects?

Some related costs incurred before an INFRA grant obligation may count toward meeting the minimum project size requirement for large projects, but only if those previously incurred expenses are eligible project costs for INFRA grants and were expended as part of the project for which the applicant seeks funds. Costs expended as part of another project may not be counted toward the minimum project size requirement. Although previously incurred costs may be used for satisfying the minimum project size requirement, they cannot be reimbursed with INFRA grant funds nor can they be used to meet the non-federal share requirement for an INFRA grant.

10. What are the Federal and non-Federal share requirements for INFRA grants?

INFRA grants may be used for up to 60 percent of future eligible project costs. Federal assistance other than a INFRA grant may be used to satisfy the non-Federal share of the cost of a project receiving a INFRA grant, but the total Federal assistance may not exceed 80 percent of future eligible project costs. 23 U.S.C. 117(j)(2).

For Federal Land Management Agencies (FLMAs), any Federal funds other than those made available under titles 23 or 49, U.S.C., with some exceptions, may be used to pay the non-Federal share of the cost of a project carried out under the INFRA Grant Program by an FLMA that applies jointly with a State or group of States. 23 U.S.C. 117(j)(3). The Notice of Funding Opportunity for the INFRA Grant Program includes additional information about the use of Federal funds to fulfill the non-Federal share requirements for INFRA grants.

The cost share requirements represent the statutory maximum Federal and non-Federal percentages of future eligible project costs. The cost share requirements differ from the Leveraging selection criteria, which considers the extent to which an application proposes to use non-Federal funding.

11. Do rail-rail grade separation projects count toward the aggregate cap for port, rail, and intermodal projects?

Under statute, railway-highway grade crossing or grade separation projects are eligible projects for INFRA grants and are excluded from the cap for port, rail, and intermodal projects 23 USC 117(d)(2)(B). Grade separation projects under 23 USC 117(d)(2)(B) includes rail-rail grade separation projects.

12. Is a network of projects eligible for an INFRA grant?

Yes. A network of projects is one INFRA award that consists of multiple projects addressing the same transportation problem. Network projects envisioned could include, but are not limited to, projects that combine improvements along a corridor such as a number of improved or eliminated grade crossings.

13. Can a private railroad receive INFRA funds?

A private railroad is not eligible to receive an INFRA grant directly. However, if an INFRA grant recipient has independent legal authority to contract with or award funds to a railroad, then that railroad could receive funds as a contractor or a subrecipient. (See 2 CFR 200.300 for differentiating contractors and subrecipients.) Whether a project is carried out by the direct recipient, a subrecipient, or a contractor, the direct recipient remains responsible for ensuring all Federal requirements are satisfied. (2 CFR 200.330-200.334 provide information on subrecipient monitoring and management).

14. What are the requirements for large projects that receive INFRA grants?

The Department may select a large project under the INFRA Grant Program only if the Department determines that:

#1: The project will generate national or regional economic, mobility, or safety benefits.

#2: The project will be cost-effective.

#3: The project will contribute to the accomplishment of one or more of the goals described in 23 U.S.C. § 150.

#4: The project is based on the results of preliminary engineering.

#5: With respect to related non-Federal financial commitments, one or more stable and dependable funding or financing sources are available to construct, maintain, and operate the project, and contingency amounts are available to cover unanticipated cost increases.

#6: The project cannot be easily and efficiently completed without other Federal funding or financial assistance available to the project sponsor.

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

If a large project consists of multiple components or is part of a network of projects (as described in section C.3 of the Notice of Funding Opportunity), each component should satisfy the requirements above.

15. A large project must be based on the results of preliminary engineering (PE) to be selected, but the statute authorizes the use of INFRA grants for development phase activities, including PE. How is this possible?

While development phase activities are eligible project costs, to be considered for selection, some environmental analysis and preliminary engineering must be undertaken before applying. The Department will evaluate the level of completion of development phase activities to assess project readiness and risk, including whether a project is reasonably expected to begin construction within 18 months of obligation of INFRA grant funds. Eligible development phase activities may only be considered for reimbursement if they occurred after the project received a INFRA grant. To be reimbursed, they must be authorized and allowable expenses before being incurred.

16. Does the environmental review process for compliance with the National Environmental Policy Act (NEPA) need to be completed prior to a grant award?

No. The application should provide a schedule that clearly demonstrates the timeframe for completion of environmental review activities that need to be completed before the start of construction for the project and any risks for meeting the projected timeframe. The Department will not authorize or obligate INFRA funds for construction, final design, or right-of-way acquisition until NEPA is complete. Incomplete environmental review may affect the Department's evaluation of whether the project is reasonably expected to begin construction within 18 months of obligation of grant funds.

17. How will the Department assess whether the project has one or more stable and dependable sources of funding, that financing is available to construct, maintain, and operate the project, and whether contingency amounts are available to cover unanticipated cost increases?

To enable the Department to assess non-Federal financial commitment, the following are examples of information applicants could include:

- Each proposed non-Federal source of capital and operating financing that is stable, reliable, and available within the proposed project timetable;
- Existing financial commitments and a project plan that provides for the availability of contingency amounts;
- The degree to which financing sources are dedicated to the purposes proposed;
- Any debt obligation that exists or is proposed by the recipient for the proposed project; and
- The extent to which the project has a non-Federal financial commitment that exceeds the required non-Federal share of the cost of the project; or
- Demonstration that the proposed project emerges from fiscally constrained metropolitan and statewide planning processes, consistent with 23 CFR Part 450.

18. How is a water port facility defined for INFRA grants?

A water facility can include one where freight is transshipped between water and surface modes, even if not formally categorized as a port. A Public Port is a functional entity of a State or Local Government with facilities used to move or transfer goods or people between either two or more land modes of transportation or land and water modes of transportation. Water ports can be located along coasts, inland rivers or the Great Lakes. Project eligibility is limited to landside components of the facilities, and with the exception of highway, bridge, railway-highway grade crossings, and grade separations within the facility's boundaries, is subject to restrictions provided in 23 USC 117(d)(2) that require that: (1) the project must make significant improvements to freight movements on the National Highway Freight

Network and (2) only the components of the project that generate public benefits are eligible for Federal funding.

19. What is the readiness requirement for small projects?

The statutory requirement that a project be reasonably expected to reach construction within 18 months of obligation applies only to Large Projects. However, small projects will receive a project readiness risk rating based on experience of the applicant, technical feasibility, financial feasibility, reasonableness of proposed schedule, NEPA status, support for the project, and risk mitigation strategy.

20. Do railway-highway grade crossing or grade separation projects have to be on the National Highway Freight Network or National Highway System to be considered eligible projects?

No. While grade crossing or grade separation projects do not have to be on the National Highway Freight Network or National Highway System, the projects must meet other program requirements.

[Rural Surface Transportation Grant - FAQ](#)

1. What are eligible project types for the Rural Surface Transportation Grant Program?

- A highway, bridge, or tunnel project eligible under National Highway Performance Program
- A highway, bridge, or tunnel project eligible under Surface Transportation Block Grant*
- A highway, bridge, or tunnel project eligible under Tribal Transportation Program
- A highway freight project eligible under National Highway Freight Program
- A highway safety improvement project, including a project to improve a high risk rural road as defined by the Highway Safety Improvement Program
- A project on a publicly-owned highway or bridge that provides or increases access to an agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area.
- A project to develop, establish, or maintain an integrated mobility management system, a transportation demand management system, or on-demand mobility.

*This statutory eligibility citation is 23 USC 133(b). In order for local roads and rural minor collectors to be eligible for the Rural Surface Transportation program under 23 USC 133(c), they must also meet the eligibility condition that the project is on a publicly-owned highway or bridge that provides or increases access to an agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area.

2. Are railway-highway grade separation projects an eligible project type under the Rural grant program?

Yes. Railway-highway grade separation projects are eligible under the Rural grant program as well.

3. Who are eligible applicants?

- a State;
- a regional transportation planning organization (as defined in 23 U.S.C. 135(m));
- a unit of local government;
- a tribal government or a consortium of tribal governments; or
- a multijurisdictional group of entities above.

4. Can Federal agencies apply for a Rural Grant?

No, Federal agencies are not eligible under 23 U.S.C. 173(c).

5. Can a Metropolitan Planning Organization (MPO) apply for a Rural Grant?

If the MPO is organized as a unit of local government or is a multijurisdictional group of local governments, then it would be eligible to apply. Please reference the state law, local legislation, or other legal authority under which the MPO is organized.

6. Can a port or port authority apply for a Rural Grant?

If the port or port authority is organized as a unit of local government then it would be eligible to apply. Please reference the state law, local legislation, or other legal authority under which the port is organized.

7. What makes a project eligible for a Rural Surface Transportation Grant program award as “a project on a publicly-owned highway or bridge that provides or increases access to an agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area” under 23 U.S.C. 173(e)(1)(F)?

A project would generally be considered eligible under 23 U.S.C. 173(e)(1)(F) if all of the following criteria are all met:

- The project is located on a publicly owned highway or publicly owned bridge.
- The application expressly identifies the agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area.
- The application describes how the project provides or increases access to the identified facility.

The project location should be within a reasonable distance to the identified facility, typically no farther than 10 miles away. If the distance is greater than 10 miles away, the applicant should provide additional justification support how the project provides or increases access to the identified facility.

If an applicant fails to include information demonstrating the project satisfies all of the criteria above, the Department is unlikely to determine the project is eligible under 23 U.S.C. 173(e)(1)(F).

8. Are rural minor collector and local roads eligible for funding?

If the project is on a rural minor collector or a local road, it must meet the eligibility requirement of being “a project on a publicly-owned highway or bridge that provides or increases access to an agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area” under 23 U.S.C. 173(e)(1)(F). (See above.) For reference, road classification maps are maintained by State DOTs. Applicants can access this information via the State DOT website or by contacting their State DOT.

The statutory eligibility citation for STBG is 23 USC 133(b). In order for local roads and rural minor collectors to be eligible for the Rural Surface Transportation program under 23 USC 133(c), they must also meet the eligibility condition that the project is project on a publicly-owned highway or bridge that provides or increases access to an agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area.

9. Would a project that provides or increases access to a facility on Federally owned land (including national parks, national forests, national recreation areas, national wildlife refuges, and wilderness areas) be eligible for funding under 23 U.S.C. 173(e)(1)(F)?

If the project is providing or increasing access to a facility on Federally-owned land such as parks, it must meet the eligibility requirement of being “a project on a publicly-owned highway or bridge that provides or increases access to an agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area” under 23 U.S.C. 173(e)(1)(F). For the purpose of determining eligibility under 23 U.S.C. 173(e)(1)(F), a facility on Federally owned land that provides recreational and tourism opportunities that support the economy of a rural area may be considered a commercial facility. An applicant proposing a project on a publicly owned highway or publicly owned bridge to provide or increases access to such a facility should provide information in the application demonstrating that the facility provides recreation and tourism opportunities that support the economy of the rural area.

10. Is a shared ride service eligible for a Rural Surface Transportation Grant program award as “a project to develop, establish, or maintain . . . on-demand mobility services” under 23 U.S.C. 173(e)(1)(G)?

The capital costs to develop, establish, or maintain a shared ride service to provide on-demand mobility services may be eligible for a Rural Surface Transportation Grant program award if the service meets the definition of public transportation at 49 U.S.C. 5302(15):

15)Public transportation.—The term “public transportation”—

(A)means regular, continuing shared-ride surface transportation services that are open to the general public or open to a segment of the general public defined by age, disability, or low income; and

(B)does not include—

(i)intercity passenger rail transportation provided by the entity described in chapter 243 (or a successor to such entity);

(ii)intercity bus service;

(iii)charter bus service;

(iv)school bus service;

(v)sightseeing service;

(vi)courtesy shuttle service for patrons of one or more specific establishments; or

(vii)intra-terminal or intra-facility shuttle services.

Exclusive ride, shared use services, are not eligible as public transportation projects because they are not shared ride and do not meet the statutory definition of public transportation.

If an applicant is proposing an exclusive ride, shared use service that is not public transportation, the application should demonstrate how the proposed costs are capital investments to “develop, establish, or maintain . . . on-demand mobility services” and are not merely operational costs of that service.

11. How will capital costs be determined for projects proposing to turn to an outside or third party source to obtain public transportation services, maintenance services, or vehicles for its on-demand mobility public transportation project under the Rural grant program?

The Rural Surface Transportation Grant program will use the capital cost of contracting guidance for outside or third party sources based on FTA Circular 9030.1E, Sections IV-11 through IV-12, as found

here: https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FINAL_FTA_circular9030.1E.pdf - #page60

Specifically, for use in determining the capital cost of contracting for outside or third party source on demand mobility public transportation projects under the Rural grant, the capital cost of contracting will generally be the following:

Contract Services for Rural Grant Mobility Projects [1]	
Type of Contract	Percent of Contract Considered Eligible Project Costs under a Rural Grant[2]
1. Service Contract (contractor provides maintenance and transit service; recipient provides vehicles)	40%
2. Service Contract (contractor provides transit service only; recipient provides vehicles and maintenance)	0%
3. Vehicle Maintenance Contract (contractor provides maintenance; recipient provides vehicles and transit service)	100%

4. Vehicle Lease Contract (contractor provides vehicles; recipient provides maintenance and transit service)	100%
5. Maintenance/Lease Contract (contractor provides vehicles and maintenance; recipient provides transit service)	100%
6. Turnkey Contract (contractor provides vehicles, maintenance, and transit service)	50%
7. Vehicle/Service Contract (contractor provides vehicles and 10 percent transit service; recipient provides maintenance)	10%
[1] Capital cost of contracting for third party or outside source contract services are considered only for proposed public transportation projects under 23 U.S.C. 173(e)(1)(G).	
[2] Only considered eligible project costs for Rural Surface Transportation Program projects under 23 U.S.C. 173(e)(1)(G).	

Example #1: Applicant proposes to enter a Turnkey Contract (as described in row #6) with a total contract cost of \$10,000,000 to provide a rural on-demand mobility service satisfying the requirements for “public transportation.” The applicant could propose a \$5,000,000 project (50% of the contract cost) and apply for a \$4,000,000 grant award. (Rural grants may not exceed 80% of eligible project costs).

Example #2: Applicant proposes to enter a Vehicle Lease Contract (as described in row #4) with a total contract cost of \$31,250,000 to provide a rural on-demand mobility service satisfying the requirements for “public transportation.” The applicant could propose a \$31,250,000 project (100% of the contract

cost) and apply for a \$25,000,000 grant award. (Rural grants may not exceed 80% of eligible project costs).

Consistent with FTA Circular 9030.1E, an applicant may request Federal participation at a higher percentage of the contract than shown in the table above, but that applicant must provide substantiation of the actual costs to do so. The Circular contains additional restrictions on the capital cost of contracting, and it identifies specific circumstances when the percentages in the table above are inapplicable. Those restrictions are applicable in similar circumstances under the Rural Surface Transportation Grant program.

The applicant has the burden of providing sufficient information to allow DOT to determine that the proposed project and budget are eligible.

Costs of a contract which remain after application of capital cost of contracting are operating expenses and are not eligible under the Rural Surface Transportation Grant program.

12. Are operating costs of on-demand mobility services eligible project costs in the Rural grant program?

Standalone operating cost of on-demand mobility services are not eligible project costs for the Rural grant program. As stated in the question above, capital cost of contracting for outside or third party source on demand mobility public transportation are eligible within certain percentages. Eligible project costs for the Rural grant program are defined at 23 U.S.C. 173(f) and detailed in C.4 of the Multimodal Project Discretionary Grant NOFO.

13. Can an applicant partner with a technology provider on the Rural Surface Transportation Grant application for a project involving on-demand mobility services? If so, may the applicant list that technology partner by name?

If a project sponsor is awarded a grant under the Rural grant program, all procurement transactions must be conducted in a manner that provides full and open competition, eliminates unfair competitive advantage, and ensures objective contractor performance. Project sponsors must avoid creating situations that would unfairly favor a firm named in the application or preclude other firms from competing, and must follow all Federal procurement laws.

14. Would a demand-responsive paratransit service, or commingled services for both paratransit riders and the general population, be eligible for a Rural Surface Transportation Grant award?

If the services meet the definition of public transportation under 49 U.S.C. 5302(15), as addressed above, then the capital costs to develop, establish, or maintain those services would be eligible under the Rural grant program.

15. Are pre-scheduled demand-responsive mobility services eligible under for a Rural Surface Transportation Grant award as transportation demand management?

If the services meet the definition of public transportation under 49 U.S.C. 5302(15) as addressed above, then the capital costs to develop, establish, or maintain those services would be eligible under the Rural grant.

16. Rural Mobility management: Are eligible applicants able to partner with a private sector or non-profit organization to develop and design a grant proposal?

Yes, applicants may partner with third parties to develop applications. However, if a project sponsor is awarded a grant under the Rural grant program, all procurement transactions must be conducted in a manner that provides full and open competition, eliminates unfair competitive advantage, and ensures objective contractor performance. Therefore, in any pre-award partnership, project sponsors must avoid creating situations that would unfairly favor a firm named in the application or preclude other firms from competing, and must follow all Federal procurement laws.

17. Is the cost to construct a vehicular/passenger ferry boat an eligible project type under the Rural Surface Transportation Grant Program?

A ferry boat or ferry terminal project that is eligible under the National Highway Performance Program (23 U.S.C. 119(d)(2)(F) or the Surface Transportation Block Grant Program (23 U.S.C. 133(b)(1)(B)) is eligible as a highway project under the Rural Surface Transportation Grant Program (23 U.S.C. 173(e)(1)(A)–(B)).

18. Are railroad crossing improvements for quiet zones an eligible project under the Rural grant program?

Many railroad crossing improvements for quiet zones may be eligible under the Rural grant program. Railroad crossing improvements that construct or improve safety features and otherwise satisfy the requirements of a “highway safety improvement project” under the FHWA Highway Safety Improvement Program (23 U.S.C. 148) are eligible under the Rural Surface Transportation Grant program. FHWA provides additional guidance on the Highway Safety Improvement Program at https://safety.fhwa.dot.gov/hsip/legislation_guidance/

We recommend that you contact your State DOT and FHWA Division Office with any questions regarding the eligibility and technical specifications of your project, and its eligibility under the Rural Grant program (23 U.S.C. 173) and the Highway Safety Improvement Program under (23 U.S.C. 148.)

19. How would a project, seeking less than \$25 Million in Rural Surface Transportation funding, be evaluated in Project Outcome Criteria?

Rural program applicants seeking amounts less than \$25 million may submit a streamlined application that only addresses three outcome areas: Safety; Climate Change, Resiliency, and the Environment; and Equity, Multimodal Options, and Quality of Life. If the application addresses all six outcome areas, then the application will receive the full Outcome review of the six outcome areas. Applications to the Rural program that address 4 or 5 outcome areas will be treated as though similarly to those that addressed only the three outcome areas.

Last updated: Monday, March 25, 2024