

FY 1992–FY 2017

Transportation Alternatives Spending Report



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Prepared by
Transportation Alternatives
Data Exchange

This report supersedes all previously published editions.

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Introduction

In 1991, Congress initiated a new era in federal transportation policy with the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), the authorizing legislation that established a dedicated funding stream for a set of newly defined Transportation Enhancement (TE) activities under the U.S. Department of Transportation’s (USDOT) Federal-aid Highway Program. Ten percent of Surface Transportation Program (STP) funding was set aside for TE activities.

The dedication of Federal-aid highway funding specifically for TE was a significant shift in national transportation policy. Prior to ISTEA, many important transportation needs had been excluded from the normal routine of planning, funding and building transportation infrastructure. Under ISTEA, Congress ensured that funding would be available for bicycle and pedestrian transportation, and the preservation and enhancement of many of the nation’s scenic and historic assets, and to address and protect environmental systems that are inextricably linked with America’s transportation infrastructure.

There were two subsequent authorizations after ISTEA, covering 13 years, and in July 2012, the Moving Ahead for Progress in the 21st Century Act (MAP-21) was signed into law, authorizing funds for fiscal years 2013 and 2014. This bill recast many of the TE activities as Transportation Alternatives (TA) and consolidated the Safe Routes to School (SRTS) program and the Recreational Trails program (RTP) to create the Transportation Alternatives Program (TAP). In fiscal year (FY) 2015, Congress extended MAP-21 through a series of short-term authorizations, including funds for TAP.

In December 2015, the Fixing America’s Surface Transportation (FAST) Act was signed into law—the first long-term funding bill in more than a decade, covering fiscal years 2016–2020. Under the FAST Act, TAP evolved into the Transportation Alternatives Set-Aside (TASA). This report documents and examines funding through Sept. 30, 2017, which was the conclusion of FY 2017. In addition, historical TE and TAP funds remain available for obligation, and this report documents the use of those funds as well.

Data in this report were obtained from the Federal Highway Administration (FHWA) Fiscal Management Information System (FMIS) and the Transportation Alternatives Data Exchange (TrADE) project database, developed through more than 20 years of direct interaction with staff and data systems at individual state transportation agencies. This report provides insight into how TE, TAP and TASA funds are being used at the national and state levels. The report is a tool for agency staff, policy makers, practitioners and citizens who want to understand how federal funding shapes America’s transportation system and its communities.

Common Acronyms Used in This Report

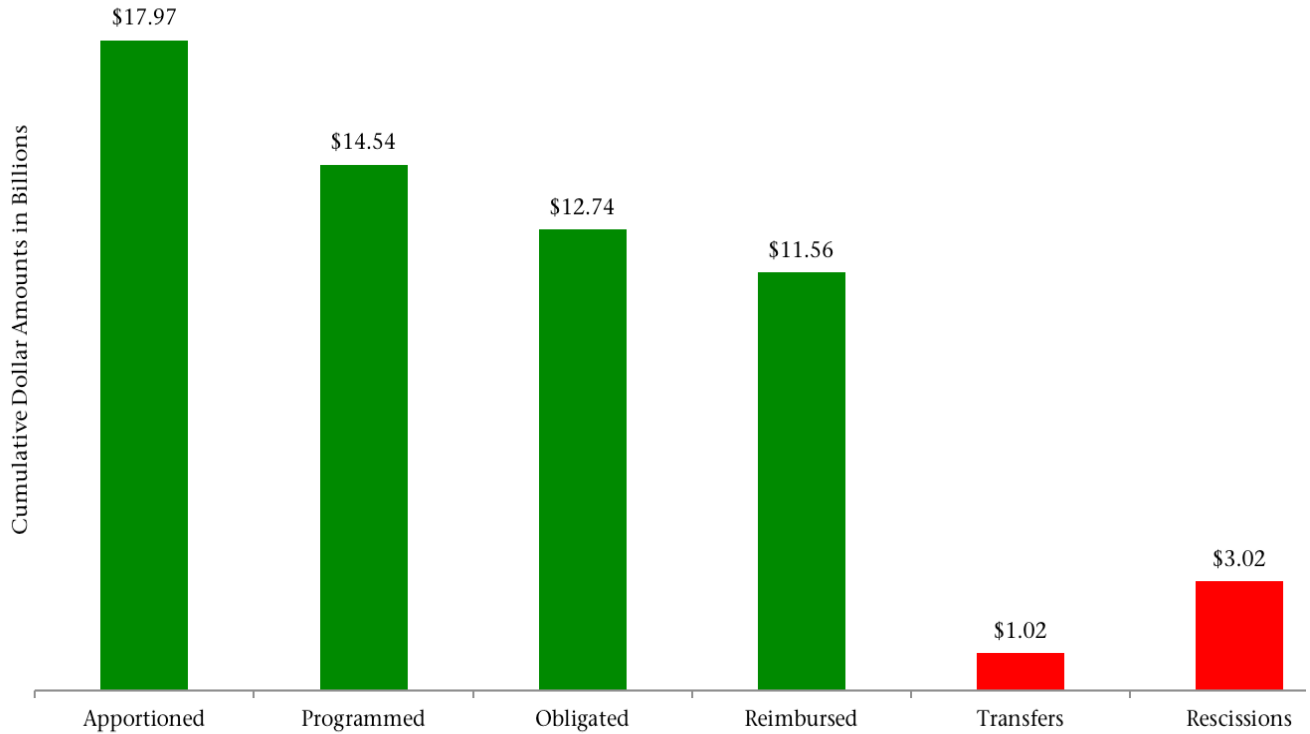
DOT:	Department of Transportation
FAST Act:	Fixing America’s Surface Transportation Act of 2015
FHWA:	Federal Highway Administration
FMIS:	Fiscal Management Information System
FY:	Fiscal Year
ISTEA:	Intermodal Surface Transportation Efficiency Act of 1991
MAP-21:	Moving Ahead for Progress in the 21st Century Act of 2012
MPO:	Metropolitan Planning Organization
SAFETEA-LU:	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users of 2005
STP:	Surface Transportation Program
STBG:	Surface Transportation Block Grant
TA:	Transportation Alternatives
TAP:	Transportation Alternatives Program
TASA:	Transportation Alternatives Set-Aside
TE:	Transportation Enhancements
USDOT:	United States Department of Transportation

Spending Analysis

From 1992 through 2017, Congress apportioned \$17.97 billion to the states for TE, TAP and TASA projects as shown in Figure 1. It is important to note that \$3.02 billion was lost to rescissions during this period. The TRADE national project database shows that state DOTs have programmed a cumulative total of 35,019 TE/TAP/TASA projects from FY 1992 through FY 2017. (This does not include canceled projects or projects with no federal money.) A financial summary for FY 2017 follows in Figure 2.

The Federal-aid project funding cycle is successfully completed when federal dollars are dispersed to the project sponsor. Consequently, the reimbursement rate is the key performance measure for project implementation. The cumulative reimbursement rate for TE/TAP/TASA (FY 1992 to FY 2017) is 91 percent primarily due to the historically high reimbursement rate for TE. However, this year's reimbursement rates are also increased in all program breakdowns. In FY 2017, the reimbursement rate is 33.1 percent for TASA (up from 12.3 percent in FY 2016), 57.9 percent for TAP (up from 50.7 percent in FY 2016) and 96.8 percent for TE (up from 95.3 percent in FY 2016).

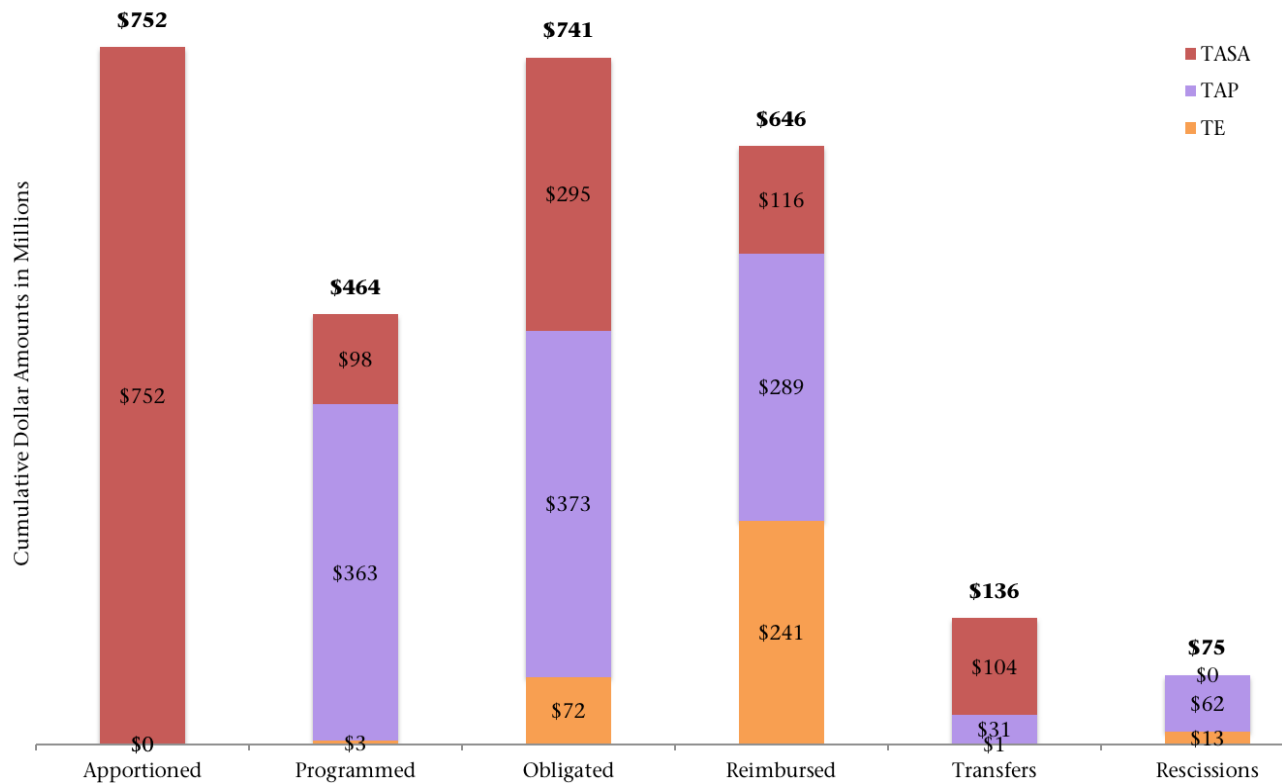
Figure 1: Cumulative TE/TAP/TASA Financial Summary, FY 1992–2017



Lessons from FY 2017

With a new federal transportation bill, the FAST Act, implemented beginning in FY 2016, FY 2017 was another year of transition. States continued to spend remaining TE and TAP funds and concurrently began to take advantage of newly available TASA funds. At the same time, in FY 2017, 21 states transferred \$111 million in TAP/TASA to the Surface Transportation Program/Block Grant Program and the Highway Safety Improvement Program (see Table 8 for more detail)—which was almost 15 percent of all funds apportioned that year.

Figure 2: TE/TAP/TASA Financial Summary, FY 2017



FAST Act Review

The Moving Ahead for Progress in the 21st Century Act (MAP-21) expired on Sept. 30, 2014, but funding authorization for surface transportation continued through short-term extensions. On Dec. 4, 2015, the Fixing America's Surface Transportation (FAST) Act was signed into law. This was the first long-term funding bill in more than a decade, covering fiscal years (FY) 2016–2020. The FAST Act replaced the Transportation Alternatives Program (TAP) with a Transportation Alternatives Set-Aside (TASA) of the Surface Transportation Block Grant (STBG) Program funding. The bill authorized \$835 million annually to TASA for the first two years of the authorization (fiscal years 2016–2017) and \$850 million for each of the remaining three years (fiscal years 2018–2020), with \$85 million of those figures reserved for the Recreational Trails Program (RTP) per year.

FAST Act Preserves Core Funding for Transportation Alternatives

TASA includes all projects and activities that were previously eligible for funding under TAP. Under MAP-21, TAP consolidated several long-standing programs, including RTP as a set-aside, Safe Routes to School (SRTS) and Transportation Enhancements (TE).

The FAST Act also preserved the manner in which funding is distributed within states, as shown in Figure 3, which was developed under MAP-21. Funds are first set aside for RTP.* Half of TASA funding is then suballocated to areas based upon their relative share of the state's total population. Fifty percent of a state's funding must be split proportionally between areas with populations of 5,000 or less, areas with populations between 5,001 and 200,000, and areas with populations of more than 200,000. For urbanized areas with populations of more than 200,000, the metropolitan planning organization (MPO) is responsible for project selection and administration in conjunction with the state department of transportation (state DOT). The remaining 50 percent can be obligated anywhere in the state.

TASA funds must be distributed through a competitive process. Only up to 80 percent of the eligible project costs can be reimbursed by the federal government, with the remaining portion covered by matching funds.

TIFIA Program Changes Make Low-Interest Loans More Accessible for Trails and Active Transportation

In addition to Transportation Alternatives funding, the FAST Act made changes to an existing program to open up financing for smaller projects. The Transportation Infrastructure Finance and Innovation Act (TIFIA) Program was established in 1998 to offer federal credit assistance to transportation projects in the form of secured (direct) loans, loan guarantees and standby lines of credit. Under the FAST Act, several key changes were made to TIFIA that make this financing more accessible for trail and active transportation projects:

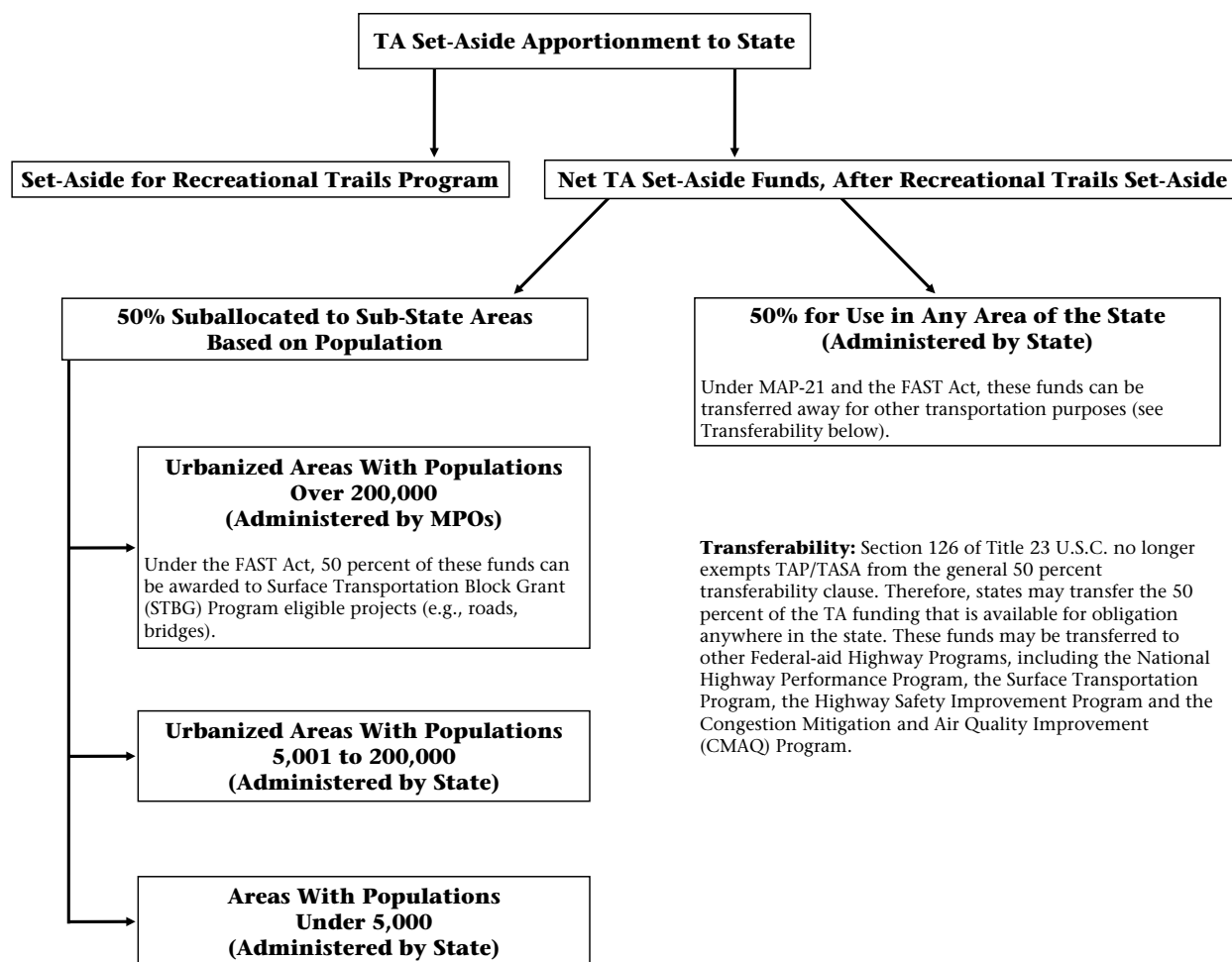
- Lowered minimum project size from \$50 million to \$10 million for projects involving local governments or transit-oriented development.
- Allows multiple network segments to be bundled into a single project to meet the \$10 million threshold.
- Allows State Infrastructure Banks to use TIFIA funds to make financing more accessible for projects in rural areas.
- Streamlines application process for low-cost, low-risk projects. Also, makes at least \$2 million per year available to help defray application costs for smaller projects.

*A state may opt out of the Recreational Trails set-aside prior to receiving funding for each fiscal year before state apportionments are made.

New Features of TASA

Though the FAST Act largely continued the provisions of MAP-21 related to Transportation Alternatives, the bill resulted in a few noteworthy updates.

Figure 3: Distribution of Transportation Alternatives Set-Aside Funds Within States



Eligible Activities: Under the FAST Act, the projects and activities eligible for funding are the same as those allowed under TAP, with two exceptions:

- An urbanized area with a population of more than 200,000 is allowed to use up to 50 percent of its suballocated TASA funds for any project or activity eligible under the broader STBG program (roads, bridges, etc.); the requirement for a competitive selection process still applies.
- TAP’s “Flexibility of Excess Reserved Funding” provision, allowing the use of excess funds for any project or activity eligible under TAP or the Congestion Mitigation and Air Quality Improvement (CMAQ) Program was eliminated.

Reporting: Under the FAST Act, state DOTs and MPOs are now required to report annually to the United States Department of Transportation (USDOT) on TASA project applications and awards, and USDOT is authorized to make these reports publicly available. There are significant distinctions between the data that the Federal Highway Administration (FHWA) collects and the Transportation Alternatives Data Exchange (TrADE) data:

- FHWA only collects information required under the FAST Act, beginning with funds apportioned for FY 2016.
- Rails-to-Trails Conservancy (RTC) collects data on TE, TAP and TASA projects for all years from 1992 to the present. RTC also tracks the cost of individual projects, which are broken down by federal share, and matched and coded across 13 eligible categories. This assists in the overall purpose of the report to track implementation of the program.

The primary purpose of FHWA's data collection and reporting, as required under the FAST Act, is to understand the overall demand for TASA funds from year to year. State DOTs and MPOs provide data on the number and costs of projects submitted and selected for funding, broken down by county, for general TASA project types (Pedestrian and Bicycle Facilities, Safe Routes to School, Recreational Trails, etc.).

Compared to USDOT's reporting effort, TrADE's data collection for its annual Spending Analysis Report provides a more detailed and historical perspective on spending patterns of TE, TAP and TASA funds. For more than two decades, state DOTs have contributed project-level data for the annual update, including information about project location and description, the federal contribution and match amounts. In addition, TrADE's data is unique in distinguishing between the various types of eligibility categories (e.g., conversion of abandoned railway corridors to trails, wildlife management, etc.), which provide valuable insights on the types of projects being implemented with TE, TAP and TASA funds. The Spending Report communicates the return on investment of TE, TAP and TASA funds, and encourages a level of transparency that upholds a standard of accountability that is exemplary for all transportation programs.

The Transportation Alternatives Eligibilities

A Transportation Alternative is any activity related to surface transportation that fits one or more of these 10 categories. In addition, projects eligible under the Recreational Trails Program and Safe Routes to School Program qualify.*



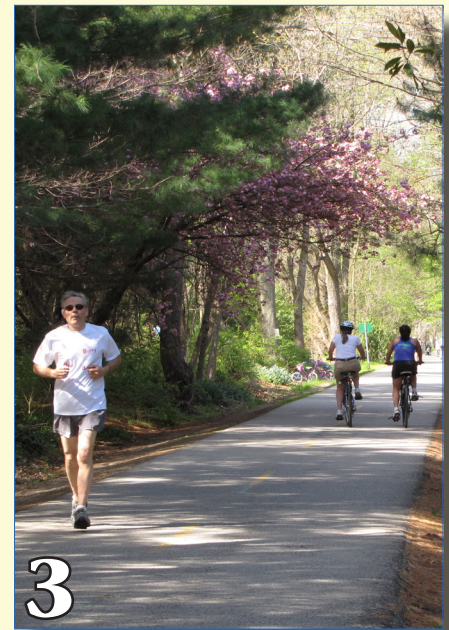
1

Pedestrian and Bicycle Facilities: New or reconstructed sidewalks, walkways, curb ramps, bike lane striping, paved shoulders, bike parking, bus racks, off-road trails, bike and pedestrian bridges, and underpasses



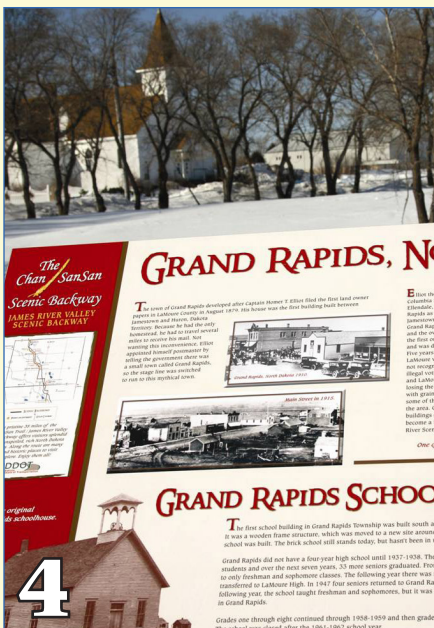
2

Safe Routes for Non-Drivers: Access and accommodation for children, older adults and individuals with disabilities



3

Conversion of Abandoned Railway Corridors to Trails: Acquisition of railroad rights-of-way; planning, design and construction of multiuse trails and rail-with-trail projects



4

Scenic Turnouts and Overlooks: Construction of scenic turnouts, overlooks and viewing area



5

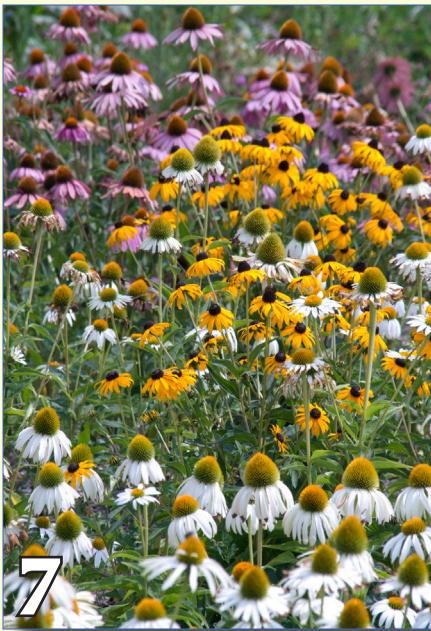
Outdoor Advertising Management: Billboard inventories and removal of illegal and nonconforming billboards



6

Historic Preservation & Rehab of Historic Transportation Facilities: Restoration of railroad depots, bus stations and lighthouses; rehabilitation of rail trestles, tunnels, bridges and canals; and more

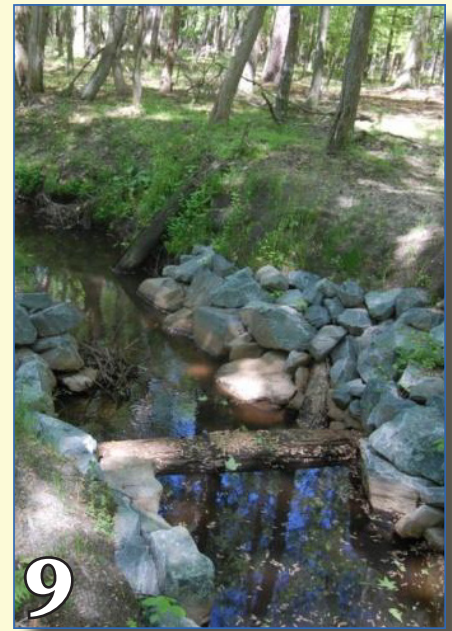
8 *The planning, designing or construction of boulevards in the right-of-way of former Interstate System routes or other divided highways is also eligible.



7
Vegetation Management:
Improvement of roadway safety,
prevention of invasive species,
providing erosion control



8
Archaeological Activities:
Projects related to impacts from
implementation of highway
construction projects



9
Stormwater Mitigation:
Pollution prevention and abatement
activities to address stormwater
management; water pollution
prevention related to highway
construction or due to highway runoff



10
Wildlife Management:
Reduction of vehicle-caused
wildlife mortality, restoration and
maintenance of connectivity among
terrestrial or aquatic habitats



Recreational Trails Program:
Construction and maintenance
of recreational trails, trailside and
trailhead facilities, acquisition
of easements, assessment of trail
conditions, publications and
educational programs, and more



**Safe Routes to School
Program:** Sidewalks, traffic
calming, and pedestrian and bicycle
crossing improvements; on-/off-street
bicycle facilities; traffic diversion
improvements; secure bicycle parking
facilities; and more

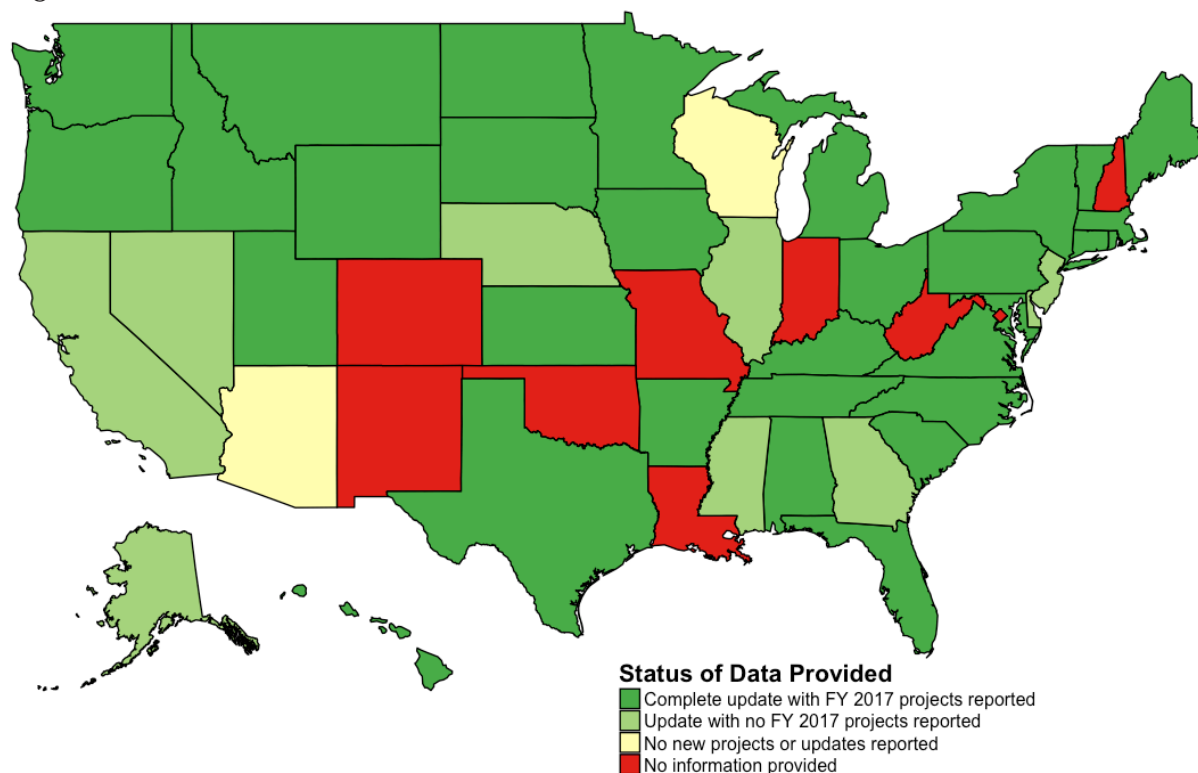
Updating the TRADE Database

This report uses data collected and maintained by the Transportation Alternatives Data Exchange (TRADE) at Rails-to-Trails Conservancy (RTC), previously the National Transportation Enhancements Clearinghouse (NTEC). Beginning in 1993, RTC developed a database of funded Transportation Enhancement (TE) projects by each state. As NTEC, this project listing was managed and updated annually from 1996 to 2013 under successive cooperative agreements with the Federal Highway Administration (FHWA). Data for this edition were collected between December 2017 and April 2018.

Data for this report come from three sources: FHWA’s Fiscal Management Information System (FMIS), state department of transportation (DOT) tracking systems and state DOT staff. FMIS provides the cumulative and fiscal year (FY) activity for funding available, obligated and reimbursed in every state. States are required to report obligations and reimbursements through FMIS. Additionally, state DOTs provide TRADE with programming (selected/planned project) data, including project name, activity type, location and funding levels. This allows analysis of the distribution of funding by both federal category and state match rates for federal funding. Though states are not contractually required to provide this information, their voluntary participation has been essential to the success of the data exchange in creating openness and transparency and promoting best practices.

The national list of programmed TE, Transportation Alternative Program (TAP) and now Transportation Alternative Set-Aside (TASA) projects contains 35,019 projects selected from FY 1992 to FY 2017. The database also contains 543 programmed projects for future fiscal years (FY 2018 to FY 2022). Combined, the list contains a total of 35,562 projects. However, charts and tables in this report do not include future-year projects. The national TE/TAP/TASA project list can be viewed online at trade.railstotrails.org/project_search. Since the TRADE database of projects is the only existing repository for information on TE, TAP and TASA projects nationwide, the participation of each state DOT is crucial for the accuracy and completeness of this information. During the most recent data collection, 42 states provided programming information as shown in Figure 4.

Figure 4: State Data Collection Provided to TRADE, FY 2017



10 Note: A list of state DOT Transportation Alternatives Coordinators can be viewed at www.fhwa.dot.gov/environment/transportation_alternatives/state_contacts.cfm.

Spending Analysis

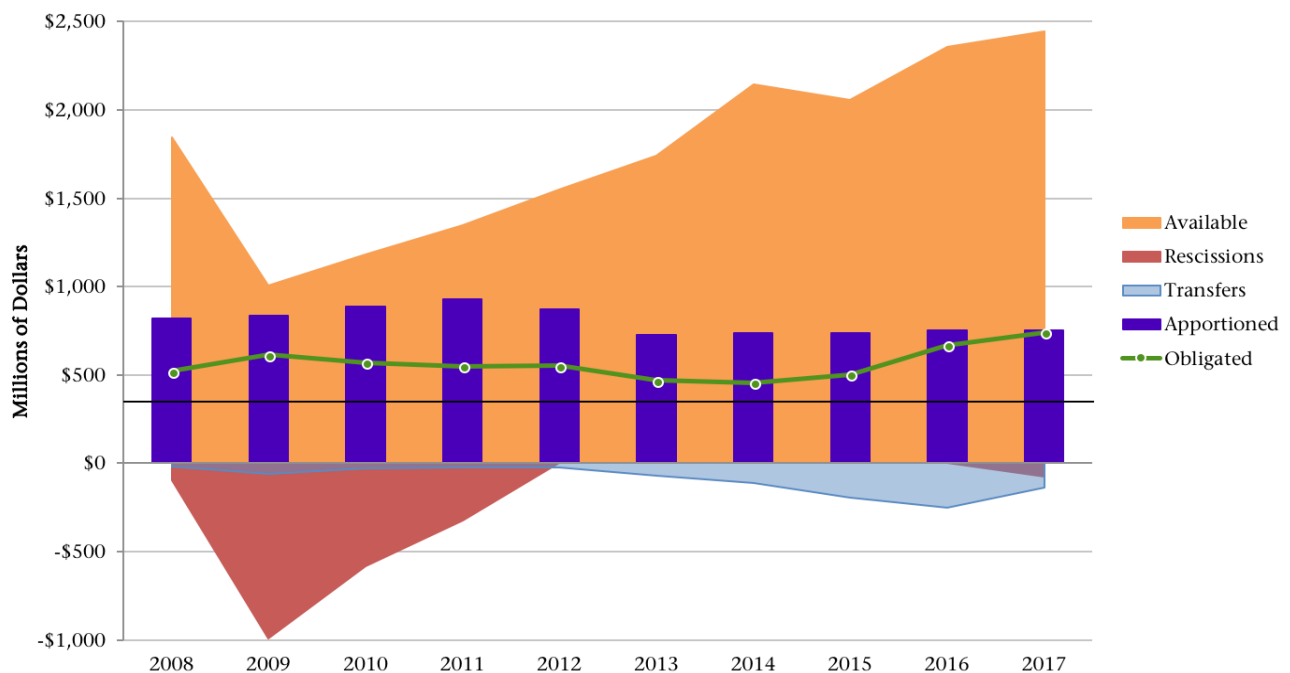
This chapter provides a summary of spending on Transportation Enhancements (TE), Transportation Alternatives Program (TAP) and Transportation Alternatives Set-Aside (TASA) funds from fiscal year (FY) 1992 through FY 2017. Federal funding for surface transportation follows a multistep process, and TASA is a reimbursement program in which the Federal Highway Administration (FHWA) compensates states for project costs as they are incurred. The key steps of this cycle are:

- **Apportionment:** FHWA apportions funds to each state, as determined by a formula in the federal legislation (e.g., the Fixing America's Surface Transportation (FAST) Act). With TASA, 50 percent is suballocated to areas within the state based on population.
- **Programming:** State departments of transportation (DOTs) and metropolitan planning organizations (MPOs) select projects to receive funding.
- **Obligation:** FHWA commits to reimburse states for the federal share of the project cost (up to 80 percent).
- **Reimbursement:** FHWA reimburses states for work completed.

Funding amounts available may be reduced through rescissions, lapsing and transfers. Through legislation, a rescission cancels the unused balance of funds that have already been apportioned. Also, to an extent, federal law permits state DOTs to transfer funds from TASA to other agencies and transportation funding programs.*

Funding levels at each phase of this cycle, as well as reductions in funding, serve as key benchmarks that provide an overview of TE/TAP/TASA—from the apportionment of funds through project reimbursement. Figure 5 shows a national overview of the funding amounts by phase from the last decade (FY 2008 through FY 2017).

Figure 5: Available Balance, Apportionment, Obligation, Transfers and Rescissions by Year, FY 2008–2017



Note: To see Figure 5 for an individual state, please visit trade.railstotrails.org/stateprofile.

*FHWA. Funding Federal-aid highways. Available at: www.fhwa.dot.gov/policy/olsp/fundingfederalaid/02.cfm.

This chapter provides an analysis of spending on TE, TAP and TASA with a focus on apportionments, obligations and reimbursements. An in-depth discussion of rescissions, lapsing and transfers follows in the next chapter. The final chapter provides a detailed look at the programming of projects.

Apportionments

Apportionment is the first step of the funding process, where funds are distributed across the country. From FY 1992 through FY 2017, TE, TAP and TASA apportionments included the following.

TE: Over the 21 years (FY 1992 through FY 2012) of Transportation Enhancements, the cumulative apportioned funding provided was \$14.27 billion. The remaining unobligated balance is \$304.78 million, a decrease from FY 2016 in which the balance was \$391.95 million. States had the ability to de-obligate and re-obligate funding for projects, which reset the period of availability—causing the unobligated TE balance to fluctuate. Figure 6 provides a historical overview of TE funds from 1992 to 2017.

TAP: Over the three years (FY 2013 through FY 2015) of TAP, cumulative funding apportioned to states was \$2.2 billion.

TASA: \$750 million was apportioned in FY 2016 and again in 2017 for a total of \$1.5 billion. This represents a total of \$835 million apportioned, less the \$85 million off the top for the Recreational Trails Program. For a financial summary of TAP/TASA from FY 2013 to FY 2017, refer to Figure 7.

TE + TAP + TASA: The cumulative apportioned funding for TE, TAP and TASA (FY 1992 through FY 2017) is \$17.97 billion. The national apportionments by year are shown in Figure 8.

Figure 6: Cumulative Transportation Enhancements Financial Summary, FY 1992–2017

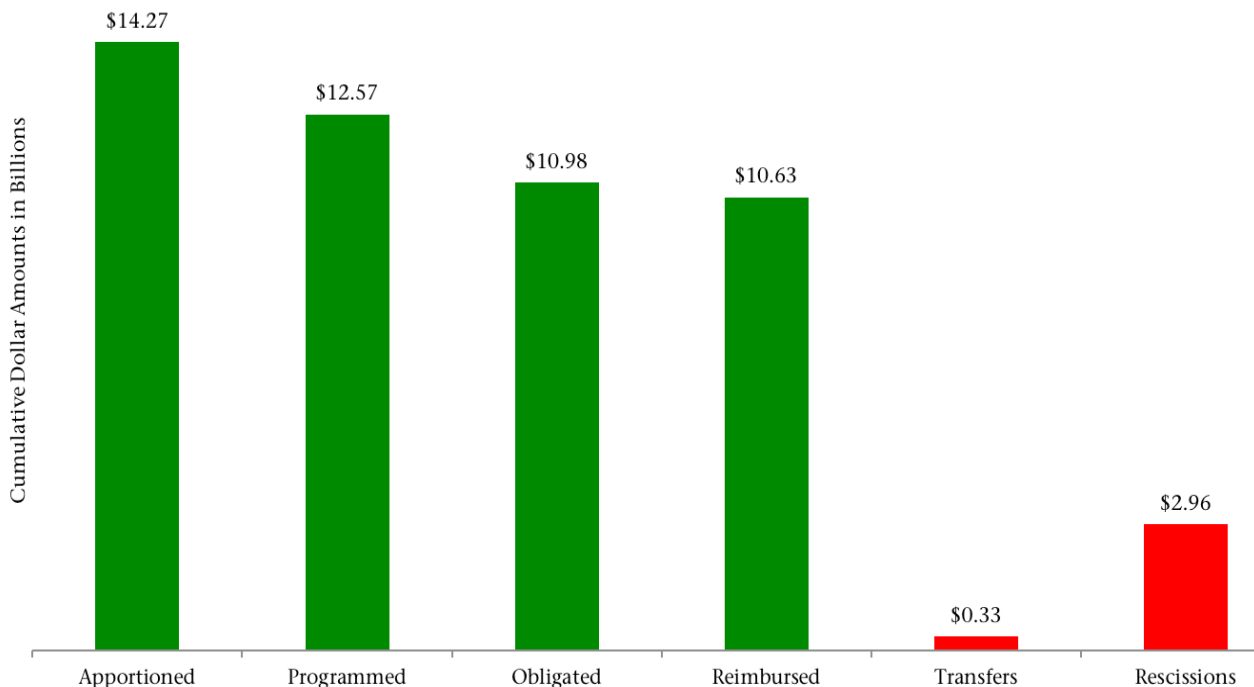


Figure 7: Cumulative Transportation Alternatives Program and Set-Aside Financial Summary, FY 2013–2017

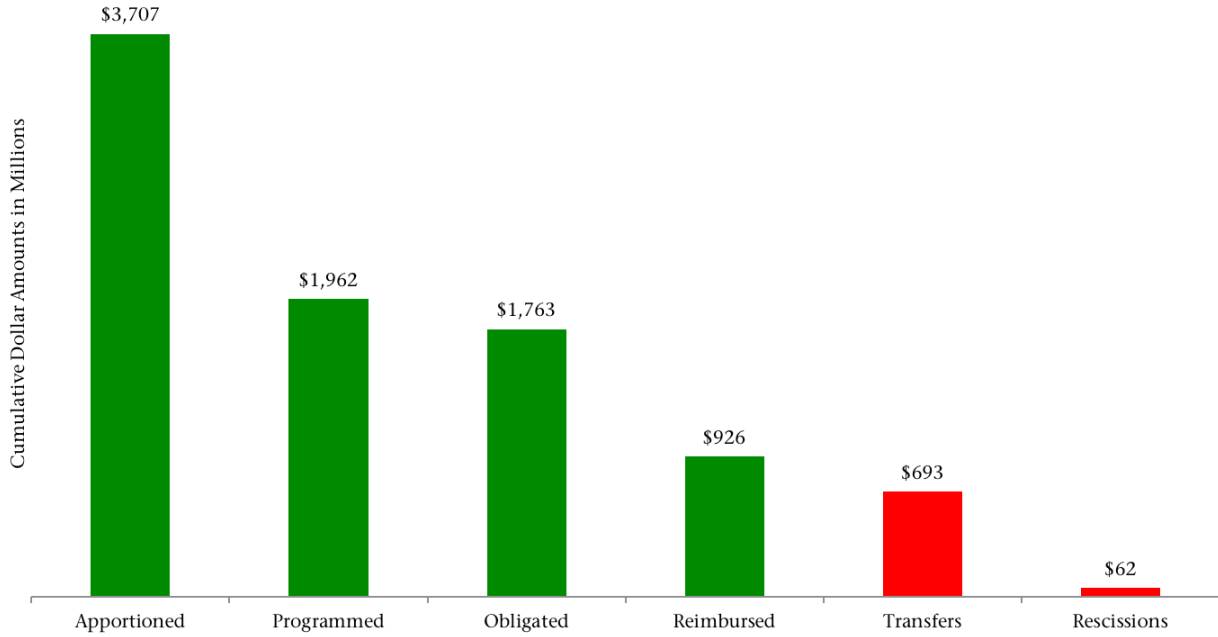
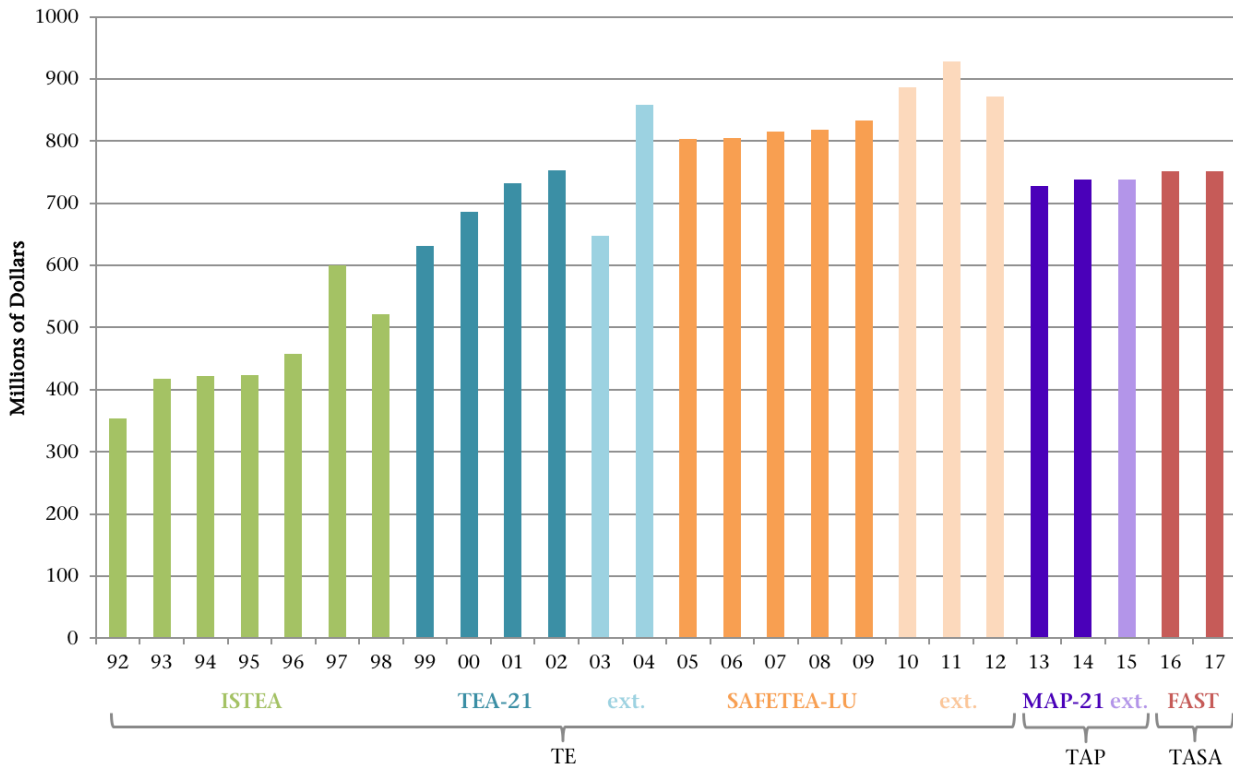


Figure 8: TE/TAP/TASA Apportionments by Year, FY 1992–2017



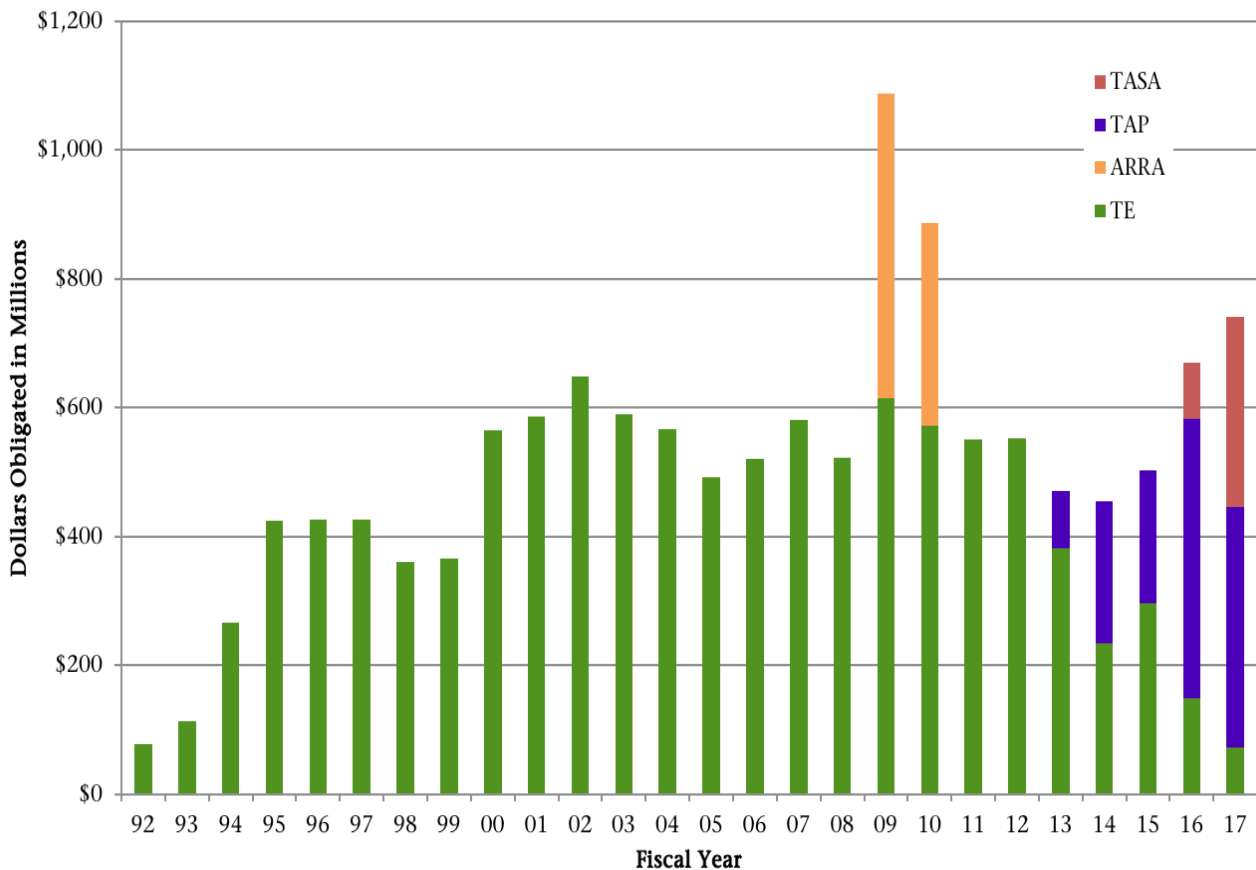
Obligations

Obligations represent a significant step in the project implementation process, during which FHWA commits to reimburse states for the federal share of the cost of selected projects. Figure 9 shows the amounts obligated by year. This analysis examines overall obligation rates, recent trends in obligation and obligation rates for suballocated funds.

Obligation Rates by Fiscal Year

This report analyzes obligation rates in two ways. The first method is to compare obligations to the original apportionment. It is important to recognize that the entire apportionment is not available for obligation due to annual limitations on obligations. However, this rate gives a sense of the extent to which state DOTs and MPOs direct TE/TAP/TASA funds to eligible projects, as opposed to transfers to other programs; the retraction of available funds by the federal government through rescissions; losses through lapsing; or lingering available balances. Nationwide, over the course of 26 years, 70.8 percent of apportionments have been obligated on TE/TAP/TASA projects.

Figure 9: TE/TAP/TASA Funding Obligated by Year, FY 1992–2017



Note: In 2009 and 2010, funds were available from the American Recovery and Reinvestment Act or ARRA (economic stimulus package) for Transportation Enhancements projects. In 2011 and 2012, \$4.63 million in ARRA funding was de-obligated.

The second method, shown in Table 1, is to compare the amount obligated in a particular fiscal year to the fiscal year apportionment. This rate shows how much of the year's apportionment has been obligated. This rate can be quite variable between years, and some states have two-year funding cycles. Table 1 shows this rate for the past five years. As seen in Table 1, it is possible for a state to obligate more than 100 percent of one year's apportionment because a state has the ability to obligate prior-year funding. That states are "reaching back" to obligate funds apportioned from previous years is indicated in the final column, "TE + TAP + TASA," of Table 1.

During FY 2016 and FY 2017, only TASA funds were apportioned, but both "old" TE and TAP funds were obligated. Table 1 reflects this in two ways. First, obligation rates for TE, TAP and TASA funds are shown for each of the past five years. Second, Table 1 shows the combined obligation rates for TE and TAP, and then the combined rates for TE, TAP and TASA funds, over the FY 2017 apportionment. This analysis is necessary, because states can continue to obligate TE and TAP funds until they expire.

In its second year (2017), the TASA obligation rate was 39 percent, up from 12 percent in 2016, and the cumulative obligation rate for TE, TAP and TASA was 99 percent, up from 89 percent in 2016. As shown in Table 1, some states have cumulative obligation rates higher than 100 percent, even though they did not spend all of their TASA funds. This indicates that those states are spending down old TE and TAP funds previously apportioned.

Recent Trends in Obligation

While the cumulative obligation rate is a useful measure, a state-by-state analysis of recent trends (i.e., past five years) in obligation rates provides further insight into TE/TAP/TASA spending by state DOTs and MPOs. Table 1 provides recent obligation rates (FY 2013–2017) and Table 2 provides the cumulative obligation rate and unobligated TE/TAP TASA balances.

TE: During FY 2017, \$72.5 million in TE funds were obligated, a 49 percent decrease from the amount in FY 2016 (\$147.5 million). The unobligated TE balance was \$305 million, down from \$392 million in 2016. As noted previously, the unobligated TE balance will continue to fluctuate as states de-obligate and re-obligate funds.

TAP: In FY 2017, \$373 million in TAP funds were obligated. The obligation rate for TAP was 50 percent, down from 58 percent in 2016. The unobligated TAP balance was \$406 million, down more than 50 percent from FY 2016's unobligated balance of \$868 million. The decrease in obligation of TAP funds coupled with the sharp decrease in unobligated balances shows that most TAP funds were obligated in previous years and that a significant amount was removed from the program through rescissions, lapsing and transfers. As TAP was not a set-aside like TE and TASA, but a separate program, it remains particularly susceptible to lapsing (see next chapter).

TASA: For FY 2017, the national obligation rate for TASA alone was 39 percent, compared to 12 percent for TASA in FY 2016. This indicates that last year, states were focused on using remaining TE and TAP funds first, before obligating the newer TASA funds. As more TE and TAP funds became fully obligated and reimbursed, more TASA funds were obligated this year. Ten states did not obligate any TASA funds during FY 2017.

TE + TAP + TASA: In FY 2017, the combined obligation rate for TE, TAP and TASA was 99 percent, an increase from 89 percent in FY 2016. The five-year cumulative obligated/apportioned rate was 76 percent for the years FY 2013 to FY 2017, an increase from 69 percent for the years FY 2012 to FY 2016. An increase in obligations may be due to accumulation of unobligated balances, combined with pressure to obligate funds to avoid rescissions and lapsing.

Transportation Alternatives Spending Report, FY 1992–FY 2017

Table 1: Obligation Rates, FY 2013–2017

State	5-year Avg. Total Apportionment	2013 TAP	2013 TE + TAP	2014 TAP	2014 TE + TAP	2015 TAP	2015 TE + TAP	2016 TAP	2016 TASA	2016 TE + TAP + TASA	2017 TAP	2017 TASA	2017 TE + TAP + TASA
Alabama	\$15,351,969	0%	46%	1%	1%	32%	91%	123%	6%	129%	56%	20%	75%
Alaska	\$5,043,670	0%	107%	0%	-8%	0%	8%	22%	6%	27%	43%	9%	52%
Arizona	\$15,226,461	19%	25%	19%	98%	26%	86%	25%	3%	86%	16%	27%	60%
Arkansas	\$9,537,745	12%	60%	13%	48%	5%	114%	22%	4%	63%	70%	18%	88%
California	\$67,866,020	0%	80%	44%	42%	58%	55%	53%	23%	70%	108%	52%	162%
Colorado	\$10,319,009	0%	33%	15%	67%	8%	67%	96%	4%	127%	82%	108%	190%
Connecticut	\$8,154,465	6%	51%	6%	77%	30%	47%	29%	2%	36%	38%	7%	44%
Delaware	\$2,740,488	25%	121%	49%	42%	54%	107%	68%	20%	88%	34%	63%	81%
District of Columbia	\$2,359,806	19%	-6%	56%	43%	18%	224%	26%	0%	26%	73%	0%	71%
Florida	\$49,072,780	84%	75%	89%	106%	52%	64%	42%	49%	95%	11%	99%	112%
Georgia	\$31,458,545	0%	44%	29%	77%	2%	37%	15%	6%	70%	10%	3%	79%
Hawaii	\$2,695,908	0%	22%	0%	2%	0%	-16%	59%	0%	138%	51%	54%	95%
Idaho	\$3,808,197	4%	3%	40%	43%	64%	116%	33%	65%	110%	9%	118%	130%
Illinois	\$27,328,715	0%	105%	13%	74%	25%	75%	81%	8%	95%	63%	145%	229%
Indiana	\$21,351,466	57%	101%	87%	113%	-1%	142%	109%	16%	129%	58%	145%	203%
Iowa	\$9,052,957	0%	59%	14%	54%	58%	85%	60%	3%	71%	30%	47%	91%
Kansas	\$9,377,430	0%	28%	10%	111%	26%	187%	90%	5%	117%	107%	80%	192%
Kentucky	\$11,691,326	0%	112%	2%	55%	1%	123%	46%	3%	65%	72%	4%	92%
Louisiana	\$10,464,307	31%	44%	10%	9%	13%	19%	48%	9%	57%	34%	44%	75%
Maine	\$1,949,212	1%	1%	41%	28%	10%	16%	49%	0%	55%	62%	19%	80%
Maryland	\$11,032,307	0%	54%	0%	66%	1%	58%	56%	0%	91%	28%	0%	72%
Massachusetts	\$10,587,516	0%	143%	18%	176%	65%	213%	93%	16%	277%	45%	19%	133%
Michigan	\$23,644,993	27%	130%	81%	107%	48%	46%	60%	38%	100%	10%	68%	74%
Minnesota	\$14,351,987	16%	96%	110%	110%	27%	27%	92%	33%	125%	44%	71%	112%
Mississippi	\$9,300,266	0%	27%	4%	154%	0%	47%	81%	1%	179%	60%	20%	70%
Missouri	\$18,001,383	0%	101%	22%	106%	16%	78%	78%	7%	93%	37%	13%	53%
Montana	\$4,310,953	0%	80%	10%	207%	80%	183%	71%	21%	92%	30%	73%	103%
Nebraska	\$5,581,308	62%	89%	102%	105%	40%	41%	56%	23%	77%	-2%	6%	1%
Nevada	\$4,916,450	2%	5%	9%	-2%	36%	55%	52%	25%	76%	96%	15%	110%
New Hampshire	\$2,569,882	0%	18%	0%	35%	4%	374%	24%	0%	24%	20%	2%	17%
New Jersey	\$16,648,544	0%	4%	0%	-18%	13%	79%	40%	4%	44%	36%	10%	45%
New Mexico	\$5,921,457	0%	104%	41%	36%	88%	90%	40%	0%	39%	24%	29%	47%
New York	\$26,369,990	0%	112%	0%	12%	10%	40%	65%	3%	109%	54%	8%	95%
North Carolina	\$21,818,268	0%	95%	17%	36%	-7%	38%	73%	0%	64%	18%	19%	38%
North Dakota	\$3,180,850	0%	49%	0%	60%	51%	57%	21%	0%	25%	56%	25%	82%
Ohio	\$26,442,171	5%	98%	47%	86%	101%	101%	85%	18%	103%	18%	82%	100%
Oklahoma	\$12,557,423	0%	19%	0%	11%	0%	5%	56%	0%	72%	37%	6%	69%
Oregon	\$7,519,631	38%	140%	76%	119%	95%	101%	70%	21%	91%	0%	34%	34%
Pennsylvania	\$25,667,742	18%	57%	24%	27%	10%	9%	67%	0%	70%	82%	0%	82%
Rhode Island	\$2,323,370	12%	52%	74%	53%	78%	98%	-34%	0%	-39%	52%	0%	54%
South Carolina	\$14,645,192	1%	46%	9%	28%	5%	-7%	35%	0%	44%	33%	11%	61%
South Dakota	\$4,211,351	0%	10%	0%	3%	0%	22%	27%	0%	47%	75%	4%	79%
Tennessee	\$16,807,428	0%	78%	3%	79%	16%	85%	58%	0%	67%	72%	0%	89%
Texas	\$75,263,553	0%	15%	4%	44%	2%	70%	46%	0%	110%	59%	4%	69%
Utah	\$4,976,830	34%	134%	15%	62%	29%	47%	39%	2%	52%	42%	21%	93%
Vermont	\$2,133,159	14%	156%	18%	69%	48%	130%	25%	0%	171%	75%	12%	115%
Virginia	\$20,468,051	0%	-12%	0%	-6%	2%	72%	99%	0%	104%	93%	27%	134%
Washington	\$10,671,655	9%	48%	89%	110%	54%	48%	41%	41%	78%	9%	39%	50%
West Virginia	\$5,660,208	0%	5%	17%	89%	15%	28%	71%	0%	152%	98%	13%	114%
Wisconsin	\$16,869,033	0%	46%	30%	41%	66%	73%	7%	0%	17%	29%	12%	43%
Wyoming	\$2,180,396	0%	123%	1%	43%	55%	60%	64%	0%	67%	111%	0%	110%
National	\$741,483,821	12%	64%	30%	62%	28%	68%	58%	12%	89%	50%	39%	99%

Table 2: Cumulative Obligations and Unobligated Balances, FY 2013–2017

State	5-year Avg. Total Apportionment	5-Year Cumulative Obligation/ Apportioned	Unobligated TE Balance	Unobligated TAP Balance	Unobligated TASA Balance	Unobligated Balance TE + TAP + TASA
Alabama	\$15,351,969	69%	\$153,131	\$13,727,193	\$25,156,414	\$39,036,737
Alaska	\$5,043,670	37%	\$0	\$2,709,251	\$6,729,481	\$9,438,732
Arizona	\$15,226,461	71%	\$376,103	\$16,272,533	\$17,281,858	\$33,930,494
Arkansas	\$9,537,745	75%	\$71,470	\$11,260,204	\$16,825,401	\$28,157,075
California	\$67,866,020	82%	\$6,003,734	\$16,371,783	\$97,205,241	\$119,580,757
Colorado	\$10,319,009	98%	\$81,630	\$657,521	\$10,320,157	\$11,059,308
Connecticut	\$8,154,465	50%	\$112,970	\$2,681,389	\$10,837,484	\$13,631,844
Delaware	\$2,740,488	88%	\$410,161	\$1,155,166	\$3,479,354	\$5,044,681
District of Columbia	\$2,359,806	72%	\$64,297	\$2,642,070	\$5,365,857	\$8,072,224
Florida	\$49,072,780	90%	\$745,400	\$1,081,129	\$34,632,351	\$36,458,880
Georgia	\$31,458,545	62%	\$9,287,334	\$24,813,013	\$33,737,157	\$67,837,503
Hawaii	\$2,695,908	49%	\$11,647,299	\$4,023,305	\$4,358,462	\$20,029,066
Idaho	\$3,808,197	81%	\$3,422,168	\$2,820,631	\$434,011	\$6,676,809
Illinois	\$27,328,715	116%	\$45,788,331	\$14,532,485	\$17,934,849	\$78,255,665
Indiana	\$21,351,466	138%	\$2,827	\$706,541	\$8,690,520	\$9,399,888
Iowa	\$9,052,957	72%	\$6,132,129	\$1,504,131	\$4,482,821	\$12,119,081
Kansas	\$9,377,430	124%	\$554,845	\$4,911,789	\$10,242,254	\$15,708,887
Kentucky	\$11,691,326	89%	\$19,107,215	\$3,565,099	\$22,495,699	\$45,168,013
Louisiana	\$10,464,307	41%	\$366,064	\$6,081,228	\$11,275,650	\$17,722,942
Maine	\$1,949,212	37%	\$19,558	\$2,464,306	\$3,407,704	\$5,891,568
Maryland	\$11,032,307	69%	\$15,974,684	\$10,193,506	\$20,871,293	\$47,039,483
Massachusetts	\$10,587,516	189%	\$5,354,684	\$6,842,622	\$17,547,111	\$29,744,418
Michigan	\$23,644,993	91%	\$1,285,579	\$10,601,676	\$25,058,339	\$36,945,593
Minnesota	\$14,351,987	94%	\$366,415	\$0	\$13,857,753	\$14,224,168
Mississippi	\$9,300,266	96%	\$12,228,706	\$11,955,139	\$15,806,495	\$39,990,340
Missouri	\$18,001,383	86%	\$2,492,645	\$8,969,571	\$17,294,232	\$28,756,448
Montana	\$4,310,953	133%	\$24,992	\$4,780,194	\$3,844,100	\$8,649,285
Nebraska	\$5,581,308	62%	\$391,535	\$436,150	\$9,181,561	\$10,009,246
Nevada	\$4,916,450	50%	\$0	\$4,632,757	\$8,085,480	\$12,718,237
New Hampshire	\$2,569,882	93%	\$134,992	\$4,315,424	\$3,736,610	\$8,187,026
New Jersey	\$16,648,544	31%	\$35,273,241	\$28,091,485	\$33,020,427	\$96,385,153
New Mexico	\$5,921,457	63%	\$5,193,877	\$3,021,102	\$10,364,138	\$18,579,118
New York	\$26,369,990	74%	\$56,217,186	\$19,505,826	\$45,141,034	\$120,864,046
North Carolina	\$21,818,268	54%	\$3,353,144	\$27,759,768	\$31,302,351	\$62,415,263
North Dakota	\$3,180,850	55%	\$39,369	\$658,422	\$2,581,650	\$3,279,441
Ohio	\$26,442,171	98%	\$0	\$37,620	\$28,230,448	\$28,268,068
Oklahoma	\$12,557,423	35%	\$10,363,935	\$7,017,800	\$13,406,630	\$30,788,365
Oregon	\$7,519,631	96%	\$0	\$930,890	\$7,474,270	\$8,405,160
Pennsylvania	\$25,667,742	49%	\$0	\$25,220,605	\$55,552,102	\$80,772,707
Rhode Island	\$2,323,370	43%	\$1,796,943	\$2,719,338	\$4,315,336	\$8,831,616
South Carolina	\$14,645,192	34%	\$6,932,443	\$9,851,137	\$14,892,280	\$31,675,860
South Dakota	\$4,211,351	32%	\$3,403,399	\$762,231	\$3,752,118	\$7,917,748
Tennessee	\$16,807,428	80%	\$18,800,118	\$16,184,129	\$34,823,809	\$69,808,056
Texas	\$75,263,553	62%	\$17,101,755	\$22,949,956	\$128,345,220	\$168,396,930
Utah	\$4,976,830	77%	\$662,406	\$2,897,824	\$6,369,946	\$9,930,177
Vermont	\$2,133,159	128%	\$3,070,174	\$2,435,704	\$3,709,293	\$9,215,171
Virginia	\$20,468,051	59%	\$286,671	\$19,826,807	\$36,048,518	\$56,161,995
Washington	\$10,671,655	67%	-\$637,083	\$2,275,692	\$13,379,410	\$15,018,019
West Virginia	\$5,660,208	78%	\$434	\$4,710,924	\$9,926,150	\$14,637,507
Wisconsin	\$16,869,033	44%	\$319,585	\$11,348,929	\$24,790,752	\$36,459,266
Wyoming	\$2,180,396	81%	\$0	\$1,477,758	\$4,078,303	\$5,556,061
National	\$741,483,821	76%	\$304,778,493	\$406,391,750	\$991,679,883	\$1,702,850,127

Unobligated Funding: While FY 2017 resulted in a decrease in the unobligated TE balance and the unobligated TAP balance as states continued to spend TE and TAP funds (which are no longer being apportioned) or as TAP funds lapsed (disappeared as though they never existed), the unobligated TASA balance increased. The TE/TAP/TASA combined unobligated balance at the conclusion of FY 2017 was \$1.7 billion, a slight increase from \$1.689 billion in FY 2016. State-specific unobligated balances at the close of FY 2017 are reported in Table 2.

TA Obligations by Area

TAP and TASA funds are partially suballocated to large urbanized areas within a state based on population. For census-designated urbanized areas with a population greater than 200,000, the FAST Act designates the local MPO to administer a competitive process to select projects for TASA funds in the region. Table 3 shows the FY 2017 obligation amounts for TAP and TASA projects, and the rates as compared to the FY 2017 apportionment.

State DOTs are responsible for administering a process to select projects for funds suballocated to small- and medium-sized areas (with population under 5,000, and between 5,001 to 200,000, respectively), as well as any-area funds that can be used for projects throughout the state. Table 4 shows FY 2017 obligations of TA funds by state, separated into MPO-administered funds and state-administered funds. Historical apportionments by state are available online at trade.rails-totrails.org/spending.

The national obligation rate for MPOs is 110 percent, but rates vary widely from state to state, ranging from -3 percent for Oregon to 274 percent for Illinois (as previous-year funds can also be obligated). For FY 2017, Illinois' was particularly high because the state DOT strongly encouraged MPOs to obligate as much funding as possible before the 2017 rescission was enacted (see next chapter). A similar trend is seen among states; the national obligation rate is 94 percent, and states range from -23 percent for Hawaii to 215 percent for Indiana. Negative obligation rates mean that funds were de-obligated from projects. While state DOTs have well-established processes for selecting projects for TASA funds, MPOs have only recently been responsible for this (starting with the Moving Ahead for Progress in the 21st Century Act (MAP-21) in FY 2013). Many individual MPOs receive relatively small apportionments. Assuming fixed costs for program administration, the ratio of administrative costs to project costs may be of concern to some MPOs. These factors might influence MPO obligation rates.

The national obligation rate for MPOs is higher than state agencies, at 110 percent and 94 percent, respectively. In FY 2016, these rates for MPOs and state agencies were at 89 percent and 98 percent respectively. A possible explanation for the reversal could be—as is seen with the overall rate for TE/TAP/TASA in the previous section—that due to lower obligation rates in previous years, they built up a balance of funding and then obligated funding in FY 2017 in the face of possible rescissions and lapsing.

Table 3: TA Obligations by Large Urbanized Area Suballocation, FY 2017

State	Apportionment	Obligations TAP	Rate TAP	Obligations TASA	Rate TASA	Obligations TAP + TASA	Rate TAP + TASA
Alabama	\$2,762,764	\$2,430,114	88%	\$191,558	7%	\$2,621,672	95%
Alaska	\$908,376	\$819,283	90%	\$0	0%	\$819,283	90%
Arizona	\$5,411,113	\$513,422	9%	\$4,209,354	78%	\$4,722,776	87%
Arkansas	\$1,274,346	\$858,936	67%	\$1,204,930	95%	\$2,063,866	162%
California	\$27,802,554	\$18,390,111	66%	\$22,924,399	82%	\$41,314,510	149%
Colorado	\$3,334,140	\$2,106,364	63%	\$4,032,603	121%	\$6,138,967	184%
Connecticut	\$3,314,939	\$2,069,688	62%	\$603,568	18%	\$2,673,256	81%
Delaware	\$748,649	\$2,905	0%	\$788,672	105%	\$791,577	106%
District of Columbia	\$1,202,192	\$451,744	38%	\$0	0%	\$451,744	38%
Florida	\$18,636,504	\$4,041,161	22%	\$18,349,128	98%	\$22,390,289	120%
Georgia	\$8,782,737	\$3,054,703	35%	\$894,695	10%	\$3,949,398	45%
Hawaii	\$810,269	\$1,578,632	195%	\$1,470,008	181%	\$3,048,640	376%
Idaho	\$433,354	\$0	0%	\$432,697	100%	\$432,697	100%
Illinois	\$10,108,137	\$9,393,746	93%	\$18,290,403	181%	\$27,684,149	274%
Indiana	\$4,985,482	\$903,680	18%	\$7,264,767	146%	\$8,168,447	164%
Iowa	\$998,832	\$1,058,517	106%	\$369,706	37%	\$1,428,223	143%
Kansas	\$1,841,796	\$382,177	21%	\$3,050,152	166%	\$3,432,329	186%
Kentucky	\$2,101,631	\$169,796	8%	\$0	0%	\$169,796	8%
Louisiana	\$2,398,250	\$856,176	36%	\$2,316,618	97%	\$3,172,794	132%
Maine	\$153,236	\$20,000	13%	\$0	0%	\$20,000	13%
Maryland	\$4,089,752	\$2,519,103	62%	\$0	0%	\$2,519,103	62%
Massachusetts	\$4,587,867	\$559,448	12%	\$2,258,227	49%	\$2,817,675	61%
Michigan	\$6,748,500	-\$179,469	-3%	\$4,477,020	66%	\$4,297,551	64%
Minnesota	\$3,645,013	\$46,061	1%	\$4,012,740	110%	\$4,058,801	111%
Mississippi	\$1,096,723	\$197,172	18%	\$0	0%	\$197,172	18%
Missouri	\$4,436,718	\$2,781,073	63%	\$1,156,168	26%	\$3,937,241	89%
Montana							
Nebraska	\$1,422,297	\$32,038	2%	\$187,811	13%	\$219,849	15%
Nevada	\$2,171,034	\$3,181,131	147%	\$469,415	22%	\$3,650,546	168%
New Hampshire	\$311,000	\$49,600	16%	\$56,200	18%	\$105,800	34%
New Jersey	\$7,591,954	\$551,471	7%	\$498,771	7%	\$1,050,242	14%
New Mexico	\$1,129,365	\$41,550	4%	\$1,055,427	93%	\$1,096,977	97%
New York	\$10,578,271	\$13,274,065	125%	\$1,628,959	15%	\$14,903,024	141%
North Carolina	\$5,079,803	-\$167,414	-3%	\$496,438	10%	\$329,024	6%
North Dakota							
Ohio	\$7,989,987	-\$97,721	-1%	\$9,533,026	119%	\$9,435,305	118%
Oklahoma	\$2,579,761	\$1,285,936	50%	\$0	0%	\$1,285,936	50%
Oregon	\$1,970,673	-\$158,633	-8%	\$93,698	5%	-\$64,935	-3%
Pennsylvania	\$8,094,824	\$5,818,658	72%	\$0	0%	\$5,818,658	72%
Rhode Island	\$1,070,981	\$400,000	37%	\$0	0%	\$400,000	37%
South Carolina	\$2,999,401	\$2,396,470	80%	\$1,081,396	36%	\$3,477,866	116%
South Dakota							
Tennessee	\$3,660,898	\$1,705,354	47%	\$0	0%	\$1,705,354	47%
Texas	\$25,093,594	\$28,467,971	113%	\$3,159,809	13%	\$31,627,780	126%
Utah	\$1,879,723	\$498,928	27%	\$16,166	1%	\$515,094	27%
Vermont							
Virginia	\$6,283,406	\$4,307,607	69%	\$2,295,547	37%	\$6,603,154	105%
Washington	\$3,240,725	\$283,918	9%	\$3,131,350	97%	\$3,415,268	105%
West Virginia	\$174,431	\$306,314	176%	\$31,610	18%	\$337,924	194%
Wisconsin	\$3,362,317	\$2,328,407	69%	\$709,605	21%	\$3,038,011	90%
Wyoming							
National	\$219,298,319	\$119,530,193	55%	\$122,742,641	56%	\$242,272,833	110%

Note: Montana, North Dakota, South Dakota, Vermont and Wyoming do not have large MPOs that qualify for suballocated TA funds.

Table 4: Obligations by Large Urbanized Area Suballocation and State Allocation, FY 2017

State	Apportionment			Obligation			Rate		
	MPO	State	Total	State		Total	MPO	State	Total
				TAP + TASA	TASA				
Alabama	\$2,762,764	\$12,829,665	\$15,592,429	\$2,621,672	\$9,069,029	\$11,690,701	95%	71%	75%
Alaska	\$908,376	\$4,227,347	\$5,135,723	\$819,283	\$1,842,434	\$2,661,718	90%	44%	52%
Arizona	\$5,411,113	\$10,056,574	\$15,467,687	\$4,722,776	\$4,509,693	\$9,232,469	87%	45%	60%
Arkansas	\$1,274,346	\$8,418,363	\$9,692,709	\$2,063,866	\$6,485,647	\$8,549,513	162%	77%	88%
California	\$27,802,554	\$41,099,359	\$68,901,913	\$41,314,510	\$70,098,343	\$111,412,853	149%	171%	162%
Colorado	\$3,334,140	\$7,152,189	\$10,486,329	\$6,138,967	\$13,801,743	\$19,940,710	184%	193%	190%
Connecticut	\$3,314,939	\$5,539,602	\$8,854,541	\$2,673,256	\$1,186,401	\$3,859,657	81%	21%	44%
Delaware	\$748,649	\$2,042,890	\$2,791,539	\$791,577	\$1,482,402	\$2,273,980	106%	73%	81%
District of Columbia	\$1,202,192	\$1,202,193	\$2,404,385	\$451,744	\$1,257,678	\$1,709,423	38%	105%	71%
Florida	\$18,636,504	\$29,581,467	\$48,217,971	\$22,390,289	\$31,427,797	\$53,818,086	120%	106%	112%
Georgia	\$8,782,737	\$23,143,273	\$31,926,010	\$3,949,398	\$21,332,694	\$25,282,092	45%	92%	79%
Hawaii	\$810,269	\$1,936,812	\$2,747,081	\$3,048,640	-\$440,151	\$2,608,489	376%	-23%	95%
Idaho	\$433,354	\$3,451,975	\$3,885,329	\$432,697	\$4,628,788	\$5,061,485	100%	134%	130%
Illinois	\$10,108,137	\$17,626,861	\$27,734,998	\$27,684,149	\$35,880,969	\$63,565,118	274%	204%	229%
Indiana	\$4,985,482	\$16,683,544	\$21,669,026	\$8,168,447	\$35,794,826	\$43,963,273	164%	215%	203%
Iowa	\$998,832	\$8,200,621	\$9,199,453	\$1,428,223	\$6,955,393	\$8,383,617	143%	85%	91%
Kansas	\$1,841,796	\$7,406,642	\$9,248,438	\$3,432,329	\$14,283,775	\$17,716,104	186%	193%	192%
Kentucky	\$2,101,631	\$9,774,076	\$11,875,707	\$169,796	\$10,734,627	\$10,904,423	8%	110%	92%
Louisiana	\$2,398,250	\$8,234,412	\$10,632,662	\$3,172,794	\$4,752,038	\$7,924,832	132%	58%	75%
Maine	\$153,236	\$1,843,224	\$1,996,460	\$20,000	\$1,573,725	\$1,593,725	13%	85%	80%
Maryland	\$4,089,752	\$7,113,523	\$11,203,275	\$2,519,103	\$5,532,975	\$8,052,078	62%	78%	72%
Massachusetts	\$4,587,867	\$6,165,209	\$10,753,076	\$2,817,675	\$11,511,471	\$14,329,146	61%	187%	133%
Michigan	\$6,748,500	\$17,269,026	\$24,017,526	\$4,297,551	\$13,393,679	\$17,691,230	64%	78%	74%
Minnesota	\$3,645,013	\$10,942,458	\$14,587,471	\$4,058,801	\$12,340,514	\$16,399,315	111%	113%	112%
Mississippi	\$1,096,723	\$8,353,350	\$9,450,073	\$197,172	\$6,461,040	\$6,658,212	18%	77%	70%
Missouri	\$4,436,718	\$13,841,305	\$18,278,023	\$3,937,241	\$5,824,079	\$9,761,320	89%	42%	53%
Montana		\$4,393,753	\$4,393,753		\$4,524,744	\$4,524,744		103%	103%
Nebraska	\$1,422,297	\$4,254,393	\$5,676,690	\$219,849	-\$164,914	\$54,934	15%	-4%	1%
Nevada	\$2,171,034	\$2,833,347	\$5,004,381	\$3,650,546	\$1,853,813	\$5,504,359	168%	65%	110%
New Hampshire	\$311,000	\$2,312,489	\$2,623,489	\$105,800	\$347,800	\$453,600	34%	15%	17%
New Jersey	\$7,591,954	\$9,308,172	\$16,900,126	\$1,050,242	\$6,620,110	\$7,670,352	14%	71%	45%
New Mexico	\$1,129,365	\$4,895,181	\$6,024,546	\$1,096,977	\$1,745,899	\$2,842,876	97%	36%	47%
New York	\$10,578,271	\$16,193,786	\$26,772,057	\$14,903,024	\$10,571,202	\$25,474,226	141%	65%	95%
North Carolina	\$5,079,803	\$17,068,248	\$22,148,051	\$329,024	\$7,977,854	\$8,306,878	6%	47%	38%
North Dakota		\$3,241,209	\$3,241,209		\$2,657,604	\$2,657,604		82%	82%
Ohio	\$7,989,987	\$18,847,973	\$26,837,960	\$9,435,305	\$17,516,672	\$26,951,978	118%	93%	100%
Oklahoma	\$2,579,761	\$10,179,225	\$12,758,986	\$1,285,936	\$7,492,427	\$8,778,363	50%	74%	69%
Oregon	\$1,970,673	\$5,677,054	\$7,647,727	-\$64,935	\$2,653,499	\$2,588,564	-3%	47%	34%
Pennsylvania	\$8,094,824	\$17,962,160	\$26,056,984	\$5,818,658	\$15,569,865	\$21,388,523	72%	87%	82%
Rhode Island	\$1,070,981	\$1,297,001	\$2,367,982	\$400,000	\$870,599	\$1,270,599	37%	67%	54%
South Carolina	\$2,999,401	\$11,868,908	\$14,868,309	\$3,477,866	\$5,581,046	\$9,058,912	116%	47%	61%
South Dakota		\$4,286,315	\$4,286,315		\$3,374,708	\$3,374,708		79%	79%
Tennessee	\$3,660,898	\$13,406,021	\$17,066,919	\$1,705,354	\$13,563,502	\$15,268,856	47%	101%	89%
Texas	\$25,093,594	\$51,286,048	\$76,379,642	\$31,627,780	\$21,294,429	\$52,922,210	126%	42%	69%
Utah	\$1,879,723	\$3,188,682	\$5,068,405	\$515,094	\$4,214,316	\$4,729,410	27%	132%	93%
Vermont		\$2,177,321	\$2,177,321		\$2,503,805	\$2,503,805		115%	115%
Virginia	\$6,283,406	\$14,494,204	\$20,777,610	\$6,603,154	\$21,248,100	\$27,851,254	105%	147%	134%
Washington	\$3,240,725	\$7,607,258	\$10,847,983	\$3,415,268	\$2,054,282	\$5,469,549	105%	27%	50%
West Virginia	\$174,431	\$5,583,555	\$5,757,986	\$337,924	\$6,202,021	\$6,539,945	194%	111%	114%
Wisconsin	\$3,362,317	\$13,774,295	\$17,136,612	\$3,038,011	\$4,309,010	\$7,347,021	90%	31%	43%
Wyoming		\$2,231,339	\$2,231,339		\$2,464,071	\$2,464,071		110%	110%
National	\$219,298,319	\$532,503,897	\$751,802,216	\$242,272,833	\$498,768,074	\$741,040,907	110%	94%	99%

Note: Montana, North Dakota, South Dakota, Vermont and Wyoming do not have large MPOs that qualify for suballocated TA funds.

Reimbursements

The final stage of the project funding cycle is reimbursement. FHWA reimburses states for projects as they are completed. This process can be long, and when projects are stalled or are not separated into phases, there can be a significant period between obligation and reimbursement. Reimbursements do not occur until the project is complete on the ground and has been inspected.

The reimbursement rate indicates the percentage of obligated funds that were reimbursed. Within a fiscal year, differences in reimbursement rates can be explained a number of ways. Therefore, when looked at alone, reimbursement rates are insufficient benchmarks for the funding analysis. A low reimbursement rate together with a high obligation rate in recent years could indicate that many projects in that state are ongoing. A high reimbursement rate together with a low obligation rate in recent years could indicate that few new projects are being implemented and older projects are being completed. Reimbursement rates should be interpreted in the context of the whole funding process. Consequently, the cumulative reimbursement rate is a more accurate portrayal of overall project implementation over time. See Table 5 for the cumulative reimbursement amounts and rates.

TASA: In FY 2017, the national reimbursement rate for TASA was 33.1 percent. In comparison, in FY 2016, the reimbursement rate for TASA was 12.34 percent. This reflects that TASA is no longer in its starting phase but has matured in comparison to FY 2016, which was the first year of TASA.

TE + TAP + TASA: The cumulative (FY 1992 to FY 2017) reimbursement rate nationally was 91 percent of obligations, the same as the previous year. State reimbursement rates ranged from a low of 73 percent in Massachusetts to a high of 100 percent in Colorado.

Table 5: State TE/TAP/TASA Program Benchmarks, FY 1992–2017 (in thousands of dollars)

State	Apportioned	Rescinded	Rate	Programmed	Rate	Obligated	Rate	Reimbursed	Rate
Alabama	\$366,220	\$80,484	22%	\$296,215	81%	\$248,832	68%	\$225,086	90%
Alaska	\$204,352	\$26,777	13%	\$136,493	67%	\$154,766	76%	\$148,498	96%
Arizona	\$340,119	\$23,865	7%	\$204,028	60%	\$267,458	79%	\$248,551	93%
Arkansas	\$242,065	\$63,829	26%	\$152,997	63%	\$143,109	59%	\$131,585	92%
California	\$1,612,813	\$288,166	18%	\$1,256,730	78%	\$1,199,436	74%	\$1,039,069	87%
Colorado	\$256,346	\$44,148	17%	\$177,512	69%	\$188,078	73%	\$187,743	100%
Connecticut	\$226,425	\$54,192	24%	\$166,100	73%	\$138,313	61%	\$126,628	92%
Delaware	\$84,271	\$2,236	3%	\$79,468	94%	\$78,277	93%	\$73,593	94%
District of Columbia	\$71,743	\$18,255	25%	\$44,901	63%	\$47,980	67%	\$46,085	96%
Florida	\$1,040,317	\$136,844	13%	\$1,018,434	98%	\$904,158	87%	\$823,125	91%
Georgia	\$699,407	\$145,157	21%	\$363,114	52%	\$415,863	59%	\$369,994	89%
Hawaii	\$105,895	\$11,984	11%	\$87,264	82%	\$74,746	71%	\$65,114	87%
Idaho	\$123,861	\$35,309	29%	\$105,659	85%	\$76,026	61%	\$69,221	91%
Illinois	\$660,428	\$79,829	12%	\$588,328	89%	\$467,265	71%	\$417,243	89%
Indiana	\$482,274	\$25,277	5%	\$490,227	102%	\$464,470	96%	\$418,468	90%
Iowa	\$233,077	\$18,007	8%	\$303,098	130%	\$193,918	83%	\$184,493	95%
Kansas	\$232,400	\$13,676	6%	\$220,173	95%	\$209,128	90%	\$186,215	89%
Kentucky	\$292,803	\$30,314	10%	\$241,823	83%	\$216,484	74%	\$195,486	90%
Louisiana	\$263,894	\$73,287	28%	\$214,393	81%	\$151,791	58%	\$138,649	91%
Maine	\$80,510	\$10,158	13%	\$84,077	104%	\$64,068	80%	\$62,918	98%
Maryland	\$267,180	\$19,969	7%	\$274,216	103%	\$182,392	68%	\$168,117	92%
Massachusetts	\$273,494	\$53,092	19%	\$169,678	62%	\$192,733	70%	\$139,857	73%
Michigan	\$573,883	\$101,973	18%	\$491,600	86%	\$456,859	80%	\$438,589	96%
Minnesota	\$349,041	\$30,420	9%	\$388,923	111%	\$307,081	88%	\$300,086	98%
Mississippi	\$232,836	\$17,232	7%	\$191,965	82%	\$181,519	78%	\$166,956	92%
Missouri	\$416,648	\$31,038	7%	\$254,372	61%	\$328,396	79%	\$313,608	95%
Montana	\$140,254	\$17,959	13%	\$132,207	94%	\$113,589	81%	\$109,806	97%
Nebraska	\$155,928	\$46,864	30%	\$108,373	70%	\$97,711	63%	\$94,293	97%
Nevada	\$135,200	\$38,347	28%	\$102,247	76%	\$86,161	64%	\$77,249	90%
New Hampshire	\$85,599	\$6,382	7%	\$91,003	106%	\$70,734	83%	\$68,254	96%
New Jersey	\$390,145	\$63,105	16%	\$214,878	55%	\$199,235	51%	\$178,309	89%
New Mexico	\$170,607	\$34,705	20%	\$197,048	115%	\$117,119	69%	\$106,902	91%
New York	\$665,134	\$104,627	16%	\$630,113	95%	\$431,582	65%	\$367,655	85%
North Carolina	\$519,080	\$103,029	20%	\$461,910	89%	\$355,996	69%	\$318,412	89%
North Dakota	\$106,756	\$20,219	19%	\$71,515	67%	\$77,809	73%	\$75,164	97%
Ohio	\$617,124	\$73,256	12%	\$542,850	88%	\$481,177	78%	\$461,367	96%
Oklahoma	\$313,347	\$87,938	28%	\$164,665	53%	\$170,886	55%	\$154,910	91%
Oregon	\$206,582	\$51,261	25%	\$160,913	78%	\$144,793	70%	\$135,957	94%
Pennsylvania	\$566,370	\$44,460	8%	\$498,125	88%	\$464,318	82%	\$437,393	94%
Rhode Island	\$77,194	\$3,154	4%	\$184,822	239%	\$66,129	86%	\$64,649	98%
South Carolina	\$331,627	\$69,818	21%	\$162,522	49%	\$194,154	59%	\$183,171	94%
South Dakota	\$125,234	\$49,966	40%	\$57,463	46%	\$54,490	44%	\$53,411	98%
Tennessee	\$398,870	\$69,669	17%	\$305,362	77%	\$269,524	68%	\$245,367	91%
Texas	\$1,619,424	\$435,588	27%	\$1,103,162	68%	\$846,737	52%	\$712,624	84%
Utah	\$135,721	\$13,303	10%	\$109,036	80%	\$111,443	82%	\$108,354	97%
Vermont	\$76,660	\$3,707	5%	\$70,995	93%	\$66,005	86%	\$62,642	95%
Virginia	\$461,413	\$38,094	8%	\$438,741	95%	\$354,744	77%	\$293,443	83%
Washington	\$284,210	\$42,020	15%	\$259,664	91%	\$218,181	77%	\$208,564	96%
West Virginia	\$142,085	\$7,496	5%	\$103,256	73%	\$120,359	85%	\$96,958	81%
Wisconsin	\$416,941	\$163,274	39%	\$226,478	54%	\$198,596	48%	\$184,028	93%
Wyoming	\$84,882	\$1,221	1%	\$70,578	83%	\$79,032	93%	\$75,081	95%
Total	\$17,958,686	\$3,024,981	17%	\$14,469,719	81%	\$12,743,655	71%	\$11,558,937	91%

Rescissions, Lapsing and Transfers

There are three primary ways in which Transportation Enhancements (TE), Transportation Alternatives Program (TAP) and Transportation Alternatives Set-Aside (TASA) funding can be prevented from being used for TE/TAP/TASA-eligible activities: rescissions, lapsing and transfers. In this section, we discuss the three mechanisms and recent trends for each mechanism. However, to understand these fully, it is also important to understand how funding is distributed through **contract authority**.

Contract Authority

Most federal transportation programs, including TE/TA, are **contract authority (CA) programs**, a one-step congressional process: (1) the authorizing legislation—like the Fixing America’s Surface Transportation (FAST) Act—sets policy and maximum funding levels, and then funds are simply distributed to state departments of transportation (state DOTs) with no further legislative action needed.

This is in contrast to the vast majority of federal programs funded through **appropriated budget authority**, a two-step congressional process: (1) authorizing legislation sets policy and maximum funding levels, but then (2) yearly funding levels are decided through the annual Congressional budget and appropriations process. Funding is decided annually, but with uncertainty until a spending bill is passed by Congress, and with volatility in funding amounts from year to year.

Transportation planners and engineers consider the one-year-at-a-time approach to have too much uncertainty to be able to complete future infrastructure projects that may take multiple years to plan, design and build. To deal with this uncertainty, **contract authority** allows transportation funding to bypass the messy yearly appropriations debate in Congress over funding levels and for the United States Department of Transportation (USDOT) to distribute FAST Act funds to the states.

However, Congress does not always have enough money to fully reimburse the total amount of FAST Act funding apportioned to the states. At times, it even chooses to limit overall federal expenditures. In order to ensure that it is able to reimburse states, Congress limits the total amount that states can spend (obligate). This is called an **obligation limitation**, obligation ceiling or obligation authority—the terms are interchangeable. Congress does not limit states on a program-by-program basis; rather it limits each state as a whole, allowing states to make decisions about how they wish to spend their funding.

In practice, Congress passes an obligation limitation every year. Consequentially, over the course of many years, states have accumulated funds apportioned to them that they cannot use because of the obligation limitation. This is where rescissions, lapsing and transfers come in.

Rescissions

From time to time, Congress takes back some—but not all—unobligated federal transportation money from the states. Unobligated balances can occur if a state does not obligate the dollars, and they can also accumulate due to the difference between **contract authority** funding and **obligation limitations**.

Historically, Congress has enacted 14 rescissions that affected TE/TAP/TASA funds. In FY 2017, Congress enacted its first rescission since 2012. The rescission applied to all contract authority funds under Chapter 1 of Title 23, United States Code. Chapter 1 contains the Federal-aid Highway Program and several smaller programs subject to the rescission, including TE, TAP and TASA funds.

Unobligated funds were rescinded proportionally by program. For example, if Transportation Alternatives made up 10 percent of a state’s unobligated funds, 10 percent of the amount to be rescinded to Congress was required to come from TA. This is in contrast to the previous TE rescissions in

which states had the autonomy to select which programs to rescind unobligated funds from. In practice, this often led to greater amounts of rescissions coming from TE than the percentage of unobligated TE funds in relation to total unobligated funds (see previous Spending Reports for details, trade.railstotrails.org/spending).

Table 6 displays the total amount of unobligated funding rescinded by state and the percentage of the rescissions comprising TE, TAP and TASA (shown as TE + TA in the chart). Funds are rescinded proportionally based on unobligated balance, not based on original apportionments made in current or previous years; the FY 2017 apportionment and rate are displayed for comparison purposes only.

Nationally, approximately \$74.7 million was rescinded from TE + TA, or 8.7 percent of the total rescission. For reference, the FAST Act's projected total TASA apportionment of \$3.8 billion over five years represents 1.8 percent of Federal-aid highway funding. Additionally, in 2017, the FAST Act's TASA apportionment of \$750 million (\$835 million minus \$85 million for the Recreational Trails Program) also represented 1.8 percent of Federal-aid highway funding.

This report provides insight on national trends, not state-specific circumstances. Higher amounts or rates of rescission could be indicative of current disinvestment in the program, but they could also be indicative of past disinvestment, which may have recently changed to place greater value on the program.

For example, though Illinois has the highest rescission rate, it also has the highest obligation rate of any state—at 229 percent. In FY 2017, the state DOT and local metropolitan planning organizations (MPOs) were instructed to obligate as many TE, TAP and TASA dollars as possible prior to the June 2017 rescission, resulting in their 229 percent obligation rate. However, in the previous decade, Illinois has had many years of low obligation rates—as low as 20 percent in 2010. While some of that funding has since been rescinded (e.g., in FY 2012), much remained with the state, leading to a build-up of unobligated funds. Moreover, state budgetary circumstances may have affected technical assistance and delivery of projects in Illinois specifically.

It is tempting to look for a relationship between a state's rescission rates and obligation rates, but in many cases the two are unrelated. Transfers also may or may not be related to rescissions. Rescission rates should be seen as simply one of many indicators of a state's past commitment to or divestment from the TE/TAP/TASA program.

Lapsing

Funds that are rescinded are returned from the states to the federal government. In contrast, funds that have lapsed are not returned to the federal government, but “disappear” and are unavailable for any use as though they never existed.

For most transportation programs, funding is available to be obligated for four fiscal years—the current year in which funds were apportioned plus three additional fiscal years. Programs are allowed to “carry over” some unobligated funds every year without having them lapse. That amount is equal to the program's total apportionments for the past three years. Unobligated amounts above the carryover limit lapse, starting with the oldest program first.

These rules apply to most transportation programs—including the Surface Transportation Program/Block Grant program. STP/STBG is the most versatile funding source, typically used to build roads, bridges and highways but also eligible to build trails, bike lanes or sidewalks. As the most flexible federal source for building infrastructure, states take great care and attention not to let STP/STBG funds lapse. States can prevent lapsing by either spending (obligating) funds or transferring funds to another program where funds won't lapse.

Table 6: Rescissions, FY 2017

State	Total Rescinded	TE Rescinded	TA Rescinded	TE+TA Rescinded as % of Total Rescinded	Total TA Apportioned in FY 2017	TE+TA Rescinded as % of Apportionment
Alabama	\$14,538,255	\$5,849	\$1,630,289	11.3%	\$15,592,429	10.5%
Alaska	\$9,696,039	\$9,191	\$702,042	7.3%	\$5,135,723	13.8%
Arizona	\$12,671,005	\$30,302	\$1,528,553	12.3%	\$15,467,687	10.1%
Arkansas	\$9,861,740	\$3,750	\$1,216,325	12.4%	\$9,692,709	12.6%
California	\$88,746,125	\$288,361	\$5,736,284	6.8%	\$68,901,913	8.7%
Colorado	\$5,865,392	-	\$573,371	9.8%	\$10,486,329	5.5%
Connecticut	\$12,599,674	\$4,478	\$686,120	5.5%	\$8,854,541	7.8%
Delaware	\$5,088,172	\$12,755	\$223,673	4.6%	\$2,791,539	8.5%
District of Columbia	\$4,357,126	\$2,461	\$287,185	6.6%	\$2,404,385	12.0%
Florida	\$26,956,326	\$176,942	\$1,443,492	6.0%	\$48,217,971	3.4%
Georgia	\$23,831,780	\$671,345	\$1,952,259	11.0%	\$31,926,010	8.2%
Hawaii	\$6,989,775	\$443,979	\$399,244	12.1%	\$2,747,081	30.7%
Idaho	\$2,242,573	\$131,003	\$218,228	15.6%	\$3,885,329	9.0%
Illinois	\$17,711,746	\$1,868,838	\$1,216,831	17.4%	\$27,734,998	11.1%
Indiana	\$21,618,184	\$4,810	\$916,907	4.3%	\$21,669,026	4.3%
Iowa	\$11,400,559	\$236,505	\$854,138	9.6%	\$9,199,453	11.9%
Kansas	\$12,270,431	-	\$938,144	7.6%	\$9,248,438	10.1%
Kentucky	\$12,069,024	\$750,849	\$1,244,579	16.5%	\$11,875,707	16.8%
Louisiana	\$14,040,120	\$24,747	\$869,399	6.4%	\$10,632,662	8.4%
Maine	\$5,669,495	\$442	\$280,471	5.0%	\$1,996,460	14.1%
Maryland	\$15,168,116	\$748,315	\$1,184,533	12.7%	\$11,203,275	17.3%
Massachusetts	\$19,304,977	\$367,293	\$1,024,009	7.2%	\$10,753,076	12.9%
Michigan	\$31,083,449	\$47,474	\$1,567,395	5.2%	\$24,017,526	6.7%
Minnesota	\$14,287,721	\$15,972	\$507,694	3.7%	\$14,587,471	3.6%
Mississippi	\$11,427,765	\$450,772	\$1,197,145	14.4%	\$9,450,073	17.4%
Missouri	\$19,375,389	\$111,981	\$1,040,185	5.9%	\$18,278,023	6.3%
Montana	\$7,961,755	-	\$408,126	5.1%	\$4,393,753	9.3%
Nebraska	\$6,638,775	\$14,223	\$320,081	5.0%	\$5,676,690	5.9%
Nevada	\$11,008,676	\$8,851	\$501,376	4.6%	\$5,004,381	10.2%
New Hampshire	\$4,715,423	\$6,002	\$357,041	7.7%	\$2,623,489	13.8%
New Jersey	\$24,603,778	\$1,348,157	\$2,174,945	14.3%	\$16,900,126	20.8%
New Mexico	\$7,170,824	\$200,905	\$584,037	10.9%	\$6,024,546	13.0%
New York	\$29,643,643	\$2,273,395	\$2,640,030	16.6%	\$26,772,057	18.4%
North Carolina	\$24,109,065	\$124,997	\$2,458,105	10.7%	\$22,148,051	11.7%
North Dakota	\$4,791,518	\$2,394	\$206,305	4.4%	\$3,241,209	6.4%
Ohio	\$41,420,856	-	\$1,619,910	3.9%	\$26,837,960	6.0%
Oklahoma	\$11,515,103	\$442,061	\$884,772	11.5%	\$12,758,986	10.4%
Oregon	\$9,137,210	\$818	\$391,298	4.3%	\$7,647,727	5.1%
Pennsylvania	\$39,945,097	\$19,139	\$3,371,110	8.5%	\$26,056,984	13.0%
Rhode Island	\$5,752,771	\$71,611	\$298,426	6.4%	\$2,367,982	15.6%
South Carolina	\$17,811,801	\$298,804	\$986,401	7.2%	\$14,868,309	8.6%
South Dakota	\$2,723,324	\$129,928	\$193,783	11.9%	\$4,286,315	7.6%
Tennessee	\$18,525,970	\$854,817	\$2,183,064	16.4%	\$17,066,919	17.8%
Texas	\$85,264,571	\$645,700	\$6,523,420	8.4%	\$76,379,642	9.4%
Utah	\$7,030,783	\$24,647	\$321,292	4.9%	\$5,068,405	6.8%
Vermont	\$5,735,357	\$116,607	\$252,904	6.4%	\$2,177,321	17.0%
Virginia	\$19,722,524	\$106,821	\$2,498,310	13.2%	\$20,777,610	12.5%
Washington	\$10,464,165	-	\$543,559	5.2%	\$10,847,983	5.0%
West Virginia	\$10,351,050	\$17	\$747,944	7.2%	\$5,757,986	13.0%
Wisconsin	\$16,443,734	\$24,934	\$1,508,056	9.3%	\$17,136,612	8.9%
Wyoming	\$5,641,269	\$4,894	\$241,819	4.4%	\$2,231,339	11.1%
Total	\$857,000,000	\$13,128,136	\$61,654,609	8.7%	\$751,802,216	9.9%

So what about TE, TAP and TASA funds? Will they lapse?

- **TE** funds were legally part of STP. With states taking care not to let STP funds lapse, TE funds also won't lapse.
- **TAP** funds from the Moving Ahead for Progress in the 21st Century Act (MAP-21) are not part of STP. If states are not careful to obligate or transfer funds, TAP funds will lapse within four years of apportionment.
- **TASA** funds from the FAST Act are a set-aside of the STBG program and are therefore part of the STBG program. With states taking care not to let STBG funds lapse, TASA funds also won't lapse.

In other words, lapsing for TAP is a three-fiscal-year occurrence, from fiscal year (FY) 2016 to FY 2018, caused by how TAP was positioned in MAP-21. Table 7 shows TAP funding that has lapsed to date. So far, \$23 million in TAP funds have lapsed from eight states.

For more information on how lapsing works, visit: www.fhwa.dot.gov/cfo/pgc/memo20140117.cfm.

Table 7: Lapsing Funds, FY 2016 and FY 2017

State	FY 2013 Funds Lapsed at End of FY 2016	FY 2014 Funds Lapsed at End of FY 2017	Total
Alaska	\$2,682,062		\$2,682,062
Georgia		\$4,356,459	\$4,356,459
Hawaii	\$39,598		\$39,598
Maryland		\$2,498,575	\$2,498,575
New Hampshire	\$1,725,424	\$1,252,684	\$2,978,107
New Jersey		\$6,247,239	\$6,247,239
North Carolina		\$4,067,845	\$4,067,845
North Dakota	\$326,952		\$326,952
Total	\$4,774,036	\$18,422,802	\$23,196,838

Transfers

There are two types of transfers of TE/TAP/TASA funds. The first is an **inter-agency transfer**, and the second is an **inter-program transfer**.

For **inter-agency transfers**, funding is transferred from the state DOT to federal agencies such as the Federal Transit Administration (FTA), the Bureau of Indian Affairs (BIA), the National Park Service (NPS), etc. Inter-agency transfers of TE/TAP/TASA funds must be spent on TE/TAP/TASA-eligible projects. In Western states, the federal government directly maintains a large amount of land; thus, transfers to the U.S. Forest Service (FS), Bureau of Land Management (BLM) or NPS to administer TE/TAP/TASA-eligible projects are not uncommon. Indeed, the Forest Service, for example, has become more proactive about applying for TA funding. Generally speaking, transfers to the FTA are for pedestrian and bicycle access to transit, such as sidewalks or trails to transit stations, bike parking at transit stations and, perhaps, bike racks on buses—all eligible uses of TE/TAP/TASA funds. With inter-agency transfers, although funding is administered by a different agency, the funding must still be used for TE/TAP/TASA-eligible projects.

In contrast, **inter-program transfers** allow funding to be transferred to another Federal-aid Highway Program and used for non-TE/TAP/TASA eligibilities. For example, a transfer of funds to the National Highway Performance Program means that former TE/TAP/TASA funding could be used to build a freeway. Most inter-program transfers from TE/TAP/TASA are to the STBG program, which is the most flexible program with a wide range of eligibilities. Theoretically, a transfer to the STBG program could be used to construct a bike lane or a sidewalk, as they are STBG eligibilities. For example, Connecticut transfers the full amount allowable, which in turn frees up funds to hire a consultant to administer the TA program. Oregon has a “fund exchange” where federal dollars are exchanged for state dollars and then used to fund TA-eligible projects; the transferred TA funds are then freed up for general STBG use (e.g., building roads). However, most states almost exclusively use STBG funds to build roads, bridges and highways; apart from a few examples, it is likely that the transferred funds are ultimately used for road and highway purposes and not TE/TA-eligible projects. An additional report on transferred funds would be needed to track the ultimate fate of these dollars.

For TE funding, transfers were allowed beginning with TEA-21 for FY 1999. States could make inter-program transfers of up to 25 percent of the portion of the annual TE funding that is above the state’s FY 1997 TE apportionment level. States are also permitted to make inter-agency transfers of TE funds to the FTA under the requirements of Chapter 53 of Title 49, United States Code. There is no limit on the amount that can be transferred to FTA; however, the transferred funds must be used for TE-eligible activities. Today, these TE provisions are largely unused, but in FY 2017, Maryland used the inter-agency transferability provision to transfer \$700,000 to FTA (Table 8).

Under MAP-21 and the FAST Act, states are allowed to make an inter-program transfer, moving up to 50 percent of their TA funds to other Federal-aid highway programs, after the Recreational Trails Program (RTP) set-aside. A state can only transfer the funds designated for use in any area of the state. Suballocated funds cannot be transferred. (See Figure 3 for details.) Additionally, states may transfer funds from any other Federal Highway Administration (FHWA) program into TE/TAP/TASA, and TASA projects are eligible under the STBG program without a transfer.

Inter-Agency: In FY 2017, a cumulative \$69 million in inter-agency transfers was made to the Bureau of Indian Affairs (BIA), Bureau of Land Management (BLM), Office of Federal Lands Highway (FLH), Federal Transit Administration (FTA), U.S. Forest Service (FS), U.S. Fish and Wildlife Service (FW) and National Park Service (NPS) for TE/TAP/TASA-eligible activities. Table 8 indicates the breakout by state and agency.

Inter-Program: A cumulative \$111.5 million in inter-program transfers was made in FY 2017 to the STBG program or, in the case of South Dakota, to the Highway Safety Improvement Program. At \$95.5 million, or 86 percent, the majority of transfers were made from TASA funds. Just \$16 million, or about 14 percent, of transfers were made from TAP funds. No inter-program transfers were made from TE funds.

TE: Table 9 shows inter-program transfers from TE since the program began, although funds were not eligible for transfers until FY 1999. In that time, states transferred \$219 million away from TE—with \$4.7 million going to RTP. The funds were transferred in varying amounts to the National Highway System (NHS), Recreational Trails, Interstate Maintenance (ISM), the “Bridge 85% Program” and the Congestion Mitigation and Air Quality Improvement (CMAQ) Program. However, in FY 2017 as in FY 2016, no states made inter-program TE transfers.

TAP: As shown in Table 8, \$16.06 million was transferred from TAP in 2017, which is much lower than \$137.65 million in 2016. As in Table 9, between FY 2013 and FY 2017, 29 states transferred a total of \$438.5 million in varying amounts to the National Highway Performance Program (NHPP) and STP (Table 9).

Table 8: Inter-Agency and Inter-Program Transfers of TE/TAP/TASA, FY 2017 (in thousands of dollars)

State	Inter-Agency Transfers FY 2017				Inter-Program Transfers FY 2017		
	TE	TAP	TASA	Total	TAP	TASA	Total
Alabama						\$2,000 STP	\$2,000
Alaska		\$2,433 FLH \$294 FS	\$391 FLH	\$3,118	\$2,870 STP	\$2,123 STP	\$4,993
Arizona						\$7,734 STP	\$7,734
Arkansas		\$100 NPS		\$100			
California		\$350 BIA \$3,188 FTA	\$4,654 FTA	\$8,192			
Colorado		\$128 BLM		\$128			
Connecticut						\$4,427 STP	\$4,427
District of Columbia			\$144 NPS	\$144			
Georgia		\$454 FTA		\$454		\$15,963 STP	\$15,963
Indiana			\$5,011 FTA	\$5,011			
Iowa			\$4,869 FTA	\$4,869	\$7,417 STP	\$8,400 STP	\$15,816
Kansas			\$5,261 FTA	\$5,261			
Kentucky		\$533 FTA		\$533			
Louisiana						\$2,658 STP	\$2,658
Maryland	\$700 FTA	\$4,978 NPS	\$1,506 NPS	\$7,184			
Minnesota			\$266 FS	\$266			
Mississippi						\$500 STP	\$500
Missouri					\$1,591 STP	\$16,687 STP	\$18,278
Nevada						\$1,250 STP	\$1,250
New Hampshire						\$1,312 STP	\$1,312
New York			\$5,661 FTA	\$5,661			
North Carolina						\$5,537 STP	\$5,537
North Dakota						\$1,621 STP	\$1,621
Oklahoma						\$6,379 STP	\$6,379
Oregon			\$5,969 FTA	\$5,969		\$1,900 STP	\$1,900
Rhode Island						\$592 STP	\$592
South Carolina						\$7,434 STP	\$7,434
South Dakota		\$396 BIA		\$396		\$2,143 HSIP	\$2,143
Tennessee		\$1,053 FTA		\$1,053	\$4,182 STP		\$4,182
Texas		\$2,467 FTA	\$6,041 FTA	\$8,508			
Utah						\$2,534 STP	\$2,534
Virginia		\$2,503 FLH \$387 FW		\$2,890			
Washington		\$2,482 FTA	\$6,525 FTA \$539 FLH	\$9,546			
Wisconsin						\$4,284 STP	\$4,284
Subtotals							
to BIA		\$746		\$746			
to BLM		\$128		\$128			
to FLH		\$4,936	\$930	\$5,866			
to FTA	\$700	\$10,177	\$43,990	\$54,867			
to FS		\$294	\$266	\$560			
to FW		\$387		\$387			
to NPS		\$5,078	\$1,650	\$6,729			
to HSIP						\$2,143	\$2,143
to STP					\$16,060	\$93,335	\$109,395
Totals	\$700	\$21,746	\$46,837	\$69,283	\$16,060	\$95,478	\$111,538

Table 9: Cumulative Inter-Program Transfers (in thousands of dollars)

State	TE Total FY 1999–2017	TAP Total FY 2013–2017	TASA Total FY 2016–2017	TE + TAP + TASA Total FY 1999–2017
Alabama			\$2,000	\$2,000
Alaska		\$2,870	\$2,123	\$4,993
Arizona	\$2,212	\$11,299	\$11,601	\$25,113
Arkansas	\$1,162	\$4,872		\$6,034
Colorado	\$7,591	\$10,110		\$17,701
Connecticut		\$12,303	\$7,682	\$19,985
Georgia	\$27,090	\$49,501	\$29,145	\$105,736
Idaho		\$1,851		\$1,851
Illinois	\$52,342	\$20,293		\$72,635
Indiana	\$284			\$284
Iowa		\$11,328	\$8,400	\$19,728
Kansas		\$2,503		\$2,503
Kentucky		\$17,912		\$17,912
Louisiana	\$8,884	\$9,914	\$4,854	\$23,651
Maryland		\$8,676	\$2,313	\$10,990
Massachusetts			\$2,600	\$2,600
Michigan	\$2,470			\$2,470
Minnesota	\$4,397			\$4,397
Mississippi		\$2,434	\$500	\$2,934
Missouri	\$7,231	\$18,952	\$16,687	\$35,639
Nebraska	\$1,299			\$1,299
Nevada	\$4,396	\$650	\$1,250	\$6,296
New Hampshire			\$1,312	\$1,312
New Jersey	\$21,911	\$4,074	\$3,000	\$28,986
New York		\$26,138	\$11,055	\$37,194
North Carolina	\$1,700	\$16,209	\$10,110	\$28,019
North Dakota		\$4,992	\$2,961	\$7,953
Ohio		\$7,436		\$7,436
Oklahoma		\$19,744	\$11,649	\$31,393
Oregon	\$4,584		\$3,480	\$8,064
Rhode Island			\$1,081	\$1,081
South Carolina	\$8,400	\$23,039	\$13,574	\$45,013
South Dakota	\$425	\$6,614	\$3,914	\$10,953
Tennessee	\$2,504	\$8,294		\$8,571
Texas	\$30,947	\$118,433	\$31,537	\$175,039
Utah		\$4,117	\$3,581	\$7,698
Virginia	\$11,231		\$2,500	\$13,731
West Virginia		\$771		\$771
Wisconsin	\$1,475	\$13,190	\$7,823	\$22,488
Subtotals				
to NHS	\$154,042			\$154,042
to Rec Trails	\$4,712			\$4,712
to ISM	\$5,608			\$5,608
to Bridge 85%	\$45,757			\$45,757
to CMAQ	\$9,196			\$9,196
to HSIP			\$2,143	\$2,143
to NHPP		\$38,759	\$16,694	\$55,453
to STP		\$399,761	\$177,895	\$577,656
Total	\$219,315	\$438,520	\$196,732	\$854,567

TASA: In FY 2017, \$95.5 million was transferred by 20 states to STBG/Highway Safety Improvement Program, which accounts for 11 percent of the 2017 apportionment. This is similar to FY 2016 where \$98.25 million was transferred by 19 states, accounting for 13 percent of the 2016 apportionment.

TE + TAP + TASA: The total inter-program transfers between FY 1992 and FY 2017 equate to \$854 million. The \$111 million in inter-program transfers during FY 2017 is a decrease of \$125 million as compared to FY 2016, when states transferred \$236 million.

Metropolitan Planning Organization Uses of TASA Funds

The FAST Act introduced a new provision, allowing up to half of the funds allocated by population to areas with > 200,000 people to be used for STBG program-eligible projects. In other words, half of those funds could be spent on roads, highways, bridges or any other STBG program eligibility (including trails, walking, biking, streetscaping, etc.) The use of this provision is *not* considered a transfer by FHWA. However, it is mentioned in this section, as the provision could be used to fund non-TA-eligible projects, much like inter-program transfers.

In FY 2016, no MPOs used this provision. In FY 2017, in Illinois and Kansas, the Chicago, Peoria and Wichita metropolitan areas used this provision for roadway projects containing a pedestrian element, as well as pedestrian planning activities.

In terms of amounts obligated, a data inquiry with state and regional officials found that the Chicago MPO obligated \$8,666,724 on two projects, the Peoria MPO obligated \$288,492 on one project, and the Wichita MPO obligated \$700,000 on four projects.

Correspondence with Illinois DOT officials found that the state DOT, which works with local MPOs, advised the MPOs to obligate as much funding as possible prior to the 2017 rescission in order to reduce the balance of rescinded funds from Illinois. Therefore, some TASA funding was used for STBG program-eligible projects. As for the projects themselves, in Chicago, \$1,166,724 was spent on an intersection improvement project that included repaving, traffic signals and sidewalks, while the remaining \$7.5 million was spent on a multimodal project that included new roadway construction, traffic signals and a pedestrian pathway, among other improvements. In Peoria, the funding was also used on a project that included roadway reconstruction and a pedestrian path, among other improvements.

In Wichita, the funding was used on four projects under their Planning Walkable Places program. The Planning Walkable Places program utilizes “leftover” funding that is typically too small for use on a construction project and reallocates the funding for pedestrian planning purposes “to help meet the current and anticipated future need for walkable place-making in the [re]gion.”

In sum, the STBG program-eligible TASA funds were used in Illinois on three roadway projects that included sidewalks or pedestrian paths, and in Wichita for pedestrian planning activities.

Program Analysis

This chapter presents major findings from the self-reported programming data collected from state departments of transportation (state DOTs). The funding levels represented in this section are programming numbers, not obligations. These numbers are obtained through a voluntary survey of state DOTs.

The Project List

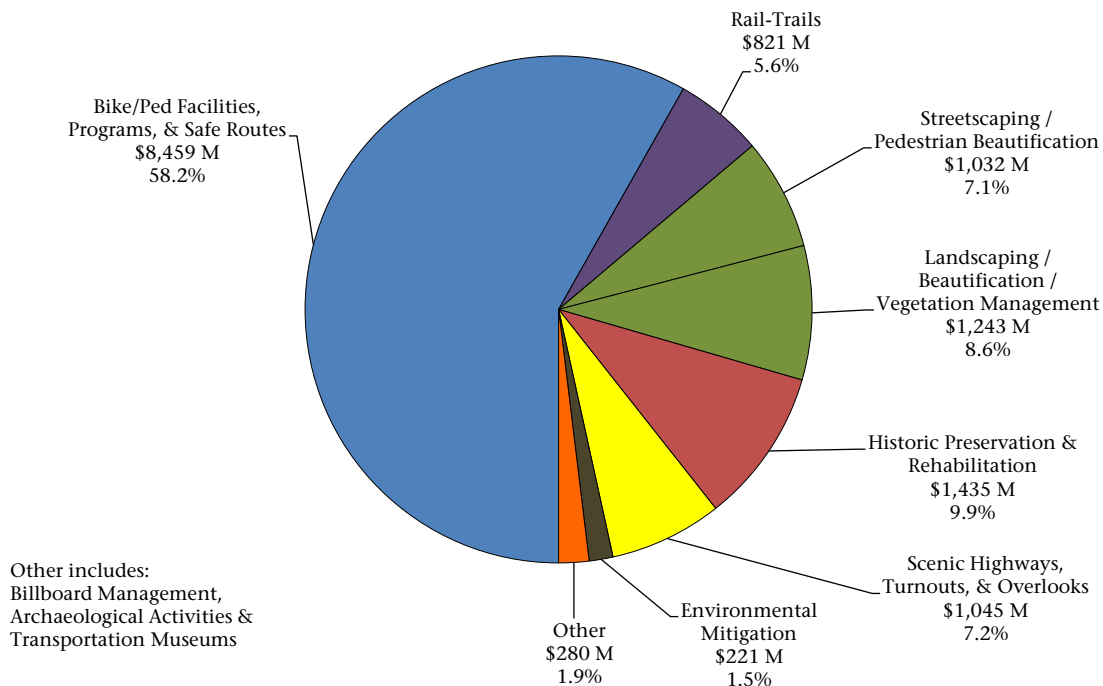
Programmed projects are those approved to receive funding by individual states.* The Transportation Alternatives Data Exchange (TrADE) project database now spans 26 fiscal years of Transportation Enhancements (TE), Transportation Alternatives Program (TAP) and Transportation Alternatives Set-Aside (TASA) programming. Table 5 indicates that the cumulative level of programming for fiscal year (FY) 1992 through FY 2017 is \$14.47 billion, representing 81 percent of all apportionments.

Future Programming: The programming data also show that 18 states have selected projects for future fiscal years. The database now has 543 future-programmed projects worth \$394 million in federal funding. The future programming data suggest that there are projects in the design and development stages planned for future years; however, the actual federal funding level of these projects will be higher because some projects do not yet have funding levels fixed.

Findings by Eligibility

Over the years, as TE evolved into TAP and then was renamed TASA, the categories of eligible projects changed as well. For the purpose of comparison, this analysis groups similar TE, TAP and TASA eligibilities. For instance, the TE activity titled “pedestrian and bicycle facilities” was

Figure 10: Distribution of Federal Funding by TE/TAP/TASA Eligibility Grouping, FY 1992–2017 (in millions of dollars)



To see Figure 10 for an individual state, please visit trade.railstotrails.org/stateprofile.

*For detailed project information on a state's list of programmed projects, see the Statewide Transportation Improvement Plan (STIP). Each state DOT publishes a STIP to provide the public with information on capital expenditures related to transportation.

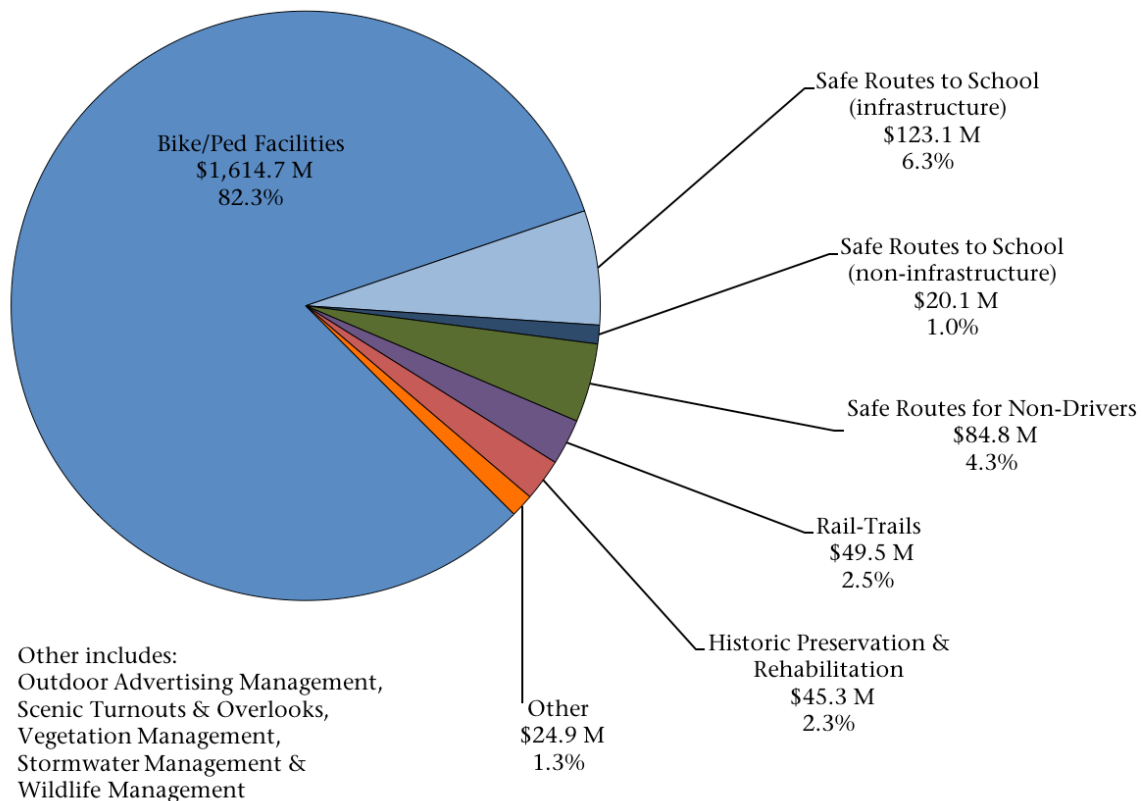
combined with the TAP/TASA eligibility of the same name. “Landscaping and other scenic beautification” was combined with “vegetation management.” While acknowledging that there are differences between these eligibilities, the categories are similar enough that grouping them serves the purpose of identifying the types of projects being funded. Figure 10 illustrates the distribution of funding by eligibility through FY 2017.

The percentages have shifted only slightly from previous years, and the ranking of categories in order of expenditures has not changed. Pedestrian and bicycle facilities still account for the majority of all programmed funding at 58.1 percent. Beautification continues to be the second-largest category of spending at 15.7 percent (this category combines 7.1 percent for streetscaping/pedestrian beautification and 8.6 percent for landscaping/beautification/vegetation management). Historic preservation and rehabilitation of transportation structures is the third-largest eligibility category, with 9.9 percent of programmed funding. Scenic highways, turnouts and overlooks accounts for 7.1 percent of all programmed funding, followed by rail-trails with 5.7 percent of funding.

The remaining categories, including environmental mitigation, billboard removal, archaeology and transportation museums, have received only 3.4 percent of the total combined TE, TAP and TASA funding from FY 1992 through FY 2017.

Figure 11 illustrates the distribution of funding across all 10 TASA eligibilities during FY 2013 to FY 2017. Similar to last year’s report, which showed FY 2013 to FY 2016, pedestrian and bicycle facilities continues to dominate the distribution, with 82.3 percent of funding. Percentages for most categories only shifted slightly, with the exception of safe routes for non-drivers, which decreased since last year (from 6.7 percent, or \$93 million, to 4.3 percent, or \$84 million). Pedestrian and bicycle facilities funding increased from \$1.1 billion to \$1.6 billion, and safe routes to school infrastructure funding increased from \$85.3 million to \$123.1 million.

Figure 11: Distribution of Federal Funding by TA Activity, FY 2013–2017 (in millions of dollars)

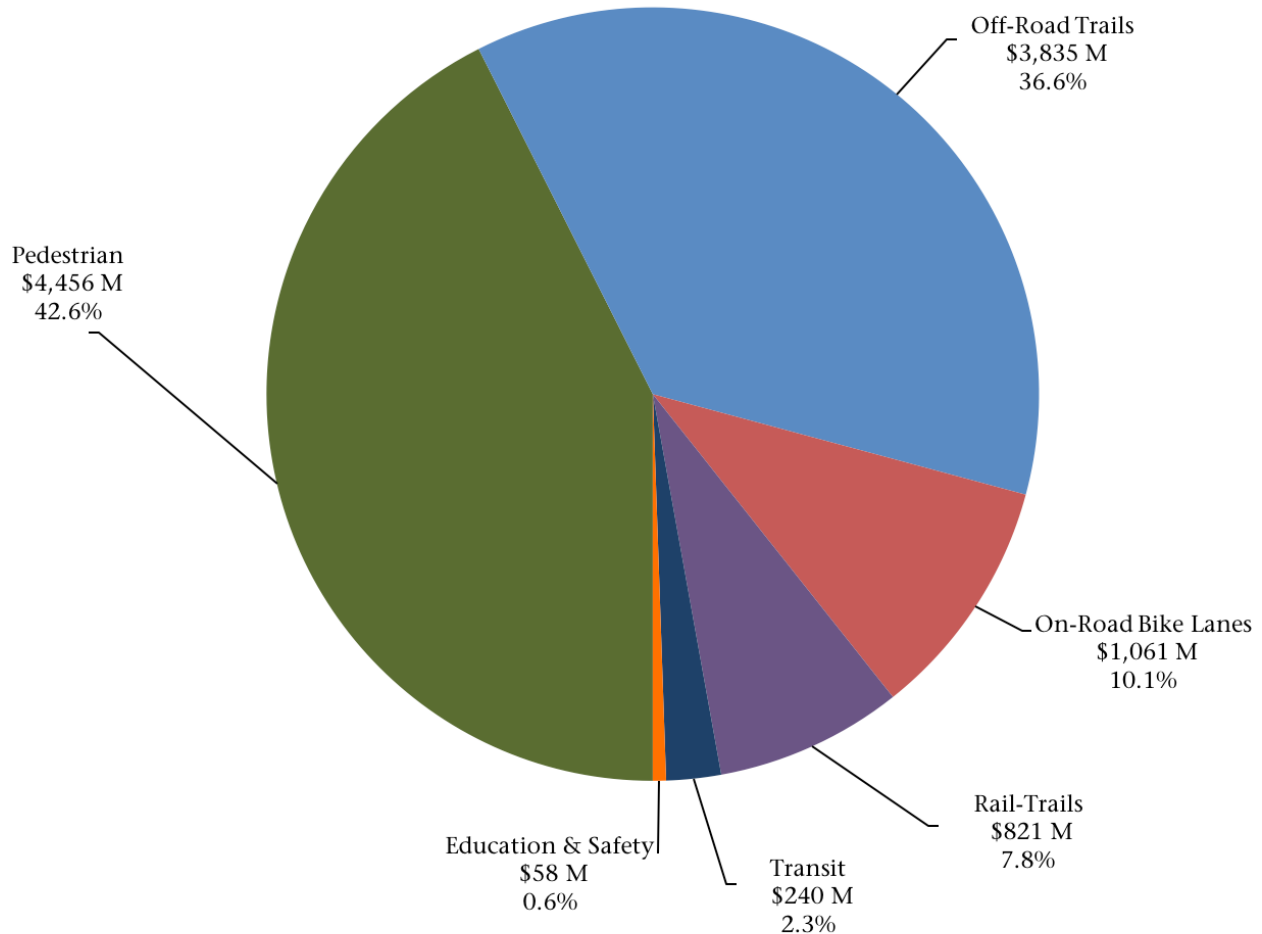


Bicycle and Pedestrian Project Subtypes

Since bicycle and pedestrian facilities comprise the majority of programmed TE, TAP and TASA funding, TRADE also tracks funding of subtypes within this activity. The subtypes are: pedestrian, off-road trails, on-road bike lanes, rail-trails, transit, and education and safety.

Figure 12 depicts the distribution of federal programmed funding between the bicycle and pedestrian subtypes. The percentages shifted only slightly from last year, and the order of distribution did not change. Pedestrian facilities and off-road trails received the highest and second-highest shares of programmed funding across these categories, at 42.6 percent and 36.6 percent respectively. On-road bicycle facilities (10.1 percent) and rail-trails (7.8 percent) comprised the third- and fourth-largest shares.

Figure 12: Distribution of Funding Across Projects With Designated Bike and Pedestrian Subtypes, FY 1992–2017 (in millions of dollars)



Future Programming

Eighteen states programmed 543 projects for future years (FY 2018 to FY 2022), though these are subject to change. The total federal dollar amount for these projects is \$394,869,293.71. Bicycle and pedestrian projects and safe routes for non-drivers projects together account for 81 percent—or a large majority—of future programmed projects. The next-largest categories are Safe Routes to School infrastructure and non-infrastructure, accounting for 11 percent of the total. Recreational trails and rail-trails account for 6 percent and 2 percent, respectively, with the remaining percent spent on scenic turnouts, historic preservation and vegetation management.

Data on future programming should not be interpreted as a prediction of where TASA funding will be programmed by all states in the future, since most states did not report future programming. Nonetheless, these numbers simply provide an interesting glimpse into future projects that are slated for funding.

Average Federal Awards and Match Rates

An examination of project-level data provides insight into typical TE/TAP/TASA projects across the country. Table 10 shows that as of FY 2017, the average federal project award was \$415,082 nationwide—ranging from \$148,882 in Montana to \$1,817,991 in Hawaii.

The Federal-aid Highway Program requires that federal monies be matched with funding from another source. These funds are commonly referred to as the non-federal share of project costs, or non-federal match. The federal government can reimburse up to 80 percent of the eligible costs of a Federal-aid highway project, which includes TE/TAP/TASA projects. At a minimum, 20 percent of the funding must come from non-federal sources.

Cumulatively, the average national match rate was 27 percent. As in previous years, this rate surpassed the federal share required under Section 120 of Title 23, United States Code. Table 10 shows that 34 states had a match rate higher than 20 percent, and 19 of these states had a rate higher than the national average. Overall, this higher national match rate is attributable to state policies that encourage or require a higher non-federal share, project sponsors voluntarily providing more funding than required, or the state choosing not to use federally approved procedures for reducing or eliminating the required non-federal share.

With TE, the ratios were allowed to vary on a project-to-project basis as long as the program as a whole reflected the 20 percent match rate, but this is no longer the case. Since the Moving Ahead for Progress in the 21st Century Act (MAP-21), every project is required to meet the minimum non-federal match. However, most Western states are eligible for a “sliding scale” that allows a higher federal share (up to 95 percent in Nevada) based on the proportion of federal lands within the state.*

These changes to the innovative financing and programmatic match pieces of the federal legislation may be perceived as increased barriers to using TAP and TASA funds and may result in fewer TASA projects taken on by communities. Without the option of other matching sources, communities may struggle to come up with those funds.

*Western states eligible for the sliding scale include: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington and Wyoming.

Source: Federal Highway Administration, Sliding Scale Rates in Public Lands. Available at: www.fhwa.dot.gov/legsregs/directives/notices/n4540-12a1.cfm.

Table 10: Cumulative Programmed Federal Awards and Matching Funds, FY 1992–2017 (in thousands of dollars)

State	Project Count	Total Federal Awards	Average Federal Award	Matching Funds	Match Rate
Alabama	1,157	\$296,215,024	\$256,020	\$73,772,702	20%
Alaska	454	\$159,644,449	\$351,640	\$20,794,059	12%
Arizona	478	\$206,277,885	\$431,544	\$57,470,775	22%
Arkansas	705	\$152,996,829	\$217,017	\$68,695,381	31%
California	1,876	\$1,256,730,299	\$669,899	\$531,468,076	30%
Colorado	702	\$177,512,311	\$252,867	\$77,703,921	30%
Connecticut	247	\$166,100,147	\$672,470	\$42,779,241	20%
Delaware	253	\$79,468,030	\$314,103	\$44,400,444	36%
District of Columbia	121	\$44,901,307	\$371,085	\$10,434,511	19%
Florida	3,376	\$1,018,433,577	\$301,669	\$64,928,688	6%
Georgia	811	\$363,114,260	\$447,736	\$94,291,768	21%
Hawaii	48	\$87,263,557	\$1,817,991	\$27,456,808	24%
Idaho	188	\$105,659,215	\$562,017	\$13,994,403	12%
Illinois	811	\$593,718,662	\$732,082	\$171,058,321	22%
Indiana	753	\$490,226,572	\$651,031	\$172,600,018	26%
Iowa	960	\$303,098,152	\$315,727	\$209,438,400	41%
Kansas	519	\$220,172,916	\$424,225	\$100,764,295	31%
Kentucky	932	\$245,267,212	\$263,162	\$70,571,756	22%
Louisiana	543	\$214,393,399	\$394,831	\$27,462,480	11%
Maine	368	\$84,077,444	\$228,471	\$22,121,446	21%
Maryland	343	\$274,216,319	\$799,464	\$354,394,251	56%
Massachusetts	343	\$169,678,207	\$494,689	\$38,916,623	19%
Michigan	1,644	\$491,600,039	\$299,027	\$234,271,004	32%
Minnesota	847	\$388,923,425	\$459,178	\$260,064,412	40%
Mississippi	455	\$191,965,320	\$421,902	\$38,890,451	17%
Missouri	945	\$254,372,013	\$269,177	\$109,221,650	30%
Montana	888	\$132,207,412	\$148,882	\$34,906,532	21%
Nebraska	628	\$109,930,473	\$175,049	\$59,263,959	35%
Nevada	227	\$112,044,058	\$493,586	\$43,697,278	28%
New Hampshire	251	\$91,003,180	\$362,562	\$29,488,058	24%
New Jersey	446	\$214,878,455	\$481,790	\$54,108,984	20%
New Mexico	592	\$197,047,815	\$332,851	\$63,695,691	24%
New York	697	\$630,113,112	\$904,036	\$383,384,083	38%
North Carolina	1,162	\$461,910,416	\$397,513	\$105,275,320	19%
North Dakota	331	\$71,514,521	\$216,056	\$27,589,518	28%
Ohio	1,068	\$542,850,235	\$508,287	\$148,464,111	21%
Oklahoma	434	\$164,664,652	\$379,412	\$40,717,259	20%
Oregon	271	\$161,626,065	\$596,406	\$62,862,873	28%
Pennsylvania	1,043	\$498,125,343	\$477,589	\$103,459,498	17%
Rhode Island	242	\$184,822,484	\$763,729	\$43,462,848	19%
South Carolina	796	\$162,522,393	\$204,174	\$73,229,713	31%
South Dakota	247	\$57,462,783	\$232,643	\$25,749,188	31%
Tennessee	677	\$305,362,323	\$451,052	\$71,854,523	19%
Texas	813	\$1,122,450,536	\$1,380,628	\$291,407,435	21%
Utah	253	\$109,036,209	\$430,973	\$29,081,748	21%
Vermont	423	\$70,995,313	\$167,838	\$21,201,074	23%
Virginia	901	\$439,181,097	\$487,437	\$349,412,204	44%
Washington	971	\$259,664,291	\$267,419	\$135,840,097	34%
West Virginia	593	\$103,256,399	\$174,125	\$25,787,763	20%
Wisconsin	754	\$226,478,470	\$300,369	\$62,988,911	22%
Wyoming	432	\$70,577,578	\$163,374	\$16,010,321	18%
Total	35,019	\$14,535,752,182	\$415,082	\$5,240,904,872	27%

Each state DOT establishes its own guidelines and requirements for providing the non-federal share of project costs. Some states require local sponsors to provide a share of project costs, though the amount required varies by state. For example, historically Maryland required a 50 percent match by project sponsors in order to spread the available federal funding across more projects. This high match rate was decreased in FY 2013 in an attempt to lower the barriers to these federal funds from a state perspective and potentially attract more projects. This is just one instance of a state changing its standard to adapt to the new requirements by, and shifting procedures of, the program. In some states (e.g., Florida, New Jersey and Pennsylvania), toll credits supplement sponsor contributions in order to meet non-federal share requirements. All states are allowed by law to count the value of donations (i.e., cash, land, materials or services) toward the non-federal share. While some states recognize these in-kind donations as part of the non-federal share, others do not. State-specific policies can be found on the TRADE website: trade.railstotrails.org/stateprofile.

States report non-federal share information in different ways. Some states report the entire non-federal share of project costs, while others (e.g., Florida) report only the portion of the non-federal share that the sponsor actually pays and not the portion supplied by toll credits. Some states report the value of in-kind donations, while others do not. Table 11 provides information on matching fund levels reported by each state. On a project level, nearly 70 percent of all projects since 1992 have had a match rate of greater than 20.5 percent.

Programming Analysis Caveats

Every effort possible was made to collect accurate project-level data from states. However, there are clear inconsistencies in the dataset. For example, for 13 states, the programming figures are lower than actual obligations. Possible reasons for this could include the following:

- Older project data were not completely reviewed or updated (some states report an inability to track older, Intermodal Surface Transportation Efficiency Act (ISTEA)-era projects).
- The project data provided by state DOTs did not include all selected projects.

Additionally, 24 states have programming totals that are higher than their available balances—the amount available before obligations were made during FY 2017. Possible reasons for this include the following:

- States program more than their apportionments with the expectation that some projects will be dropped or some work bids will come in lower than the initial cost estimate.
- Older project data were not updated, especially canceled projects.
- Future-year projects that are in the engineering or design phases are included with current projects.
- States may combine a project with other federal or state funding but not differentiate these in their data submission.

Table 11: Project Count by Match Rate, FY 1992–2017

State	Project Count by Match Rate			Total Count	Percentage by Match Rate		
	< 19.5%	19.5 - 20.5	> 20.5%		< 19.5%	19.5 - 20.5	> 20.5%
Alabama	76	0	1,081	1,157	6.6%	0.0%	93.4%
Alaska	334	1	119	454	73.6%	0.2%	26.2%
Arizona	305	8	165	478	63.8%	1.7%	34.5%
Arkansas	6	1	698	705	0.9%	0.1%	99.0%
California	1,152	21	703	1,876	61.4%	1.1%	37.5%
Colorado	18	5	679	702	2.6%	0.7%	96.7%
Connecticut	40	0	207	247	16.2%	0.0%	83.8%
Delaware	28	4	221	253	11.1%	1.6%	87.4%
Dist. Of Columbia	14	56	51	121	11.6%	46.3%	42.1%
Florida	2,630	161	585	3,376	77.9%	4.8%	17.3%
Georgia	80	1	730	811	9.9%	0.1%	90.0%
Hawaii	4	0	44	48	8.3%	0.0%	91.7%
Idaho	106	1	81	188	56.4%	0.5%	43.1%
Illinois	2	0	809	811	0.2%	0.0%	99.8%
Indiana	85	40	628	753	11.3%	5.3%	83.4%
Iowa	70	12	878	960	7.3%	1.3%	91.5%
Kansas	126	9	384	519	24.3%	1.7%	74.0%
Kentucky	84	2	846	932	9.0%	0.2%	90.8%
Louisiana	434	0	109	543	79.9%	0.0%	20.1%
Maine	101	1	266	368	27.4%	0.3%	72.3%
Maryland	9	10	324	343	2.6%	2.9%	94.5%
Massachusetts	14	14	315	343	4.1%	4.1%	91.8%
Michigan	52	1	1,591	1,644	3.2%	0.1%	96.8%
Minnesota	66	1	780	847	7.8%	0.1%	92.1%
Mississippi	91	2	362	455	20.0%	0.4%	79.6%
Missouri	172	3	770	945	18.2%	0.3%	81.5%
Montana	700	2	186	888	78.8%	0.2%	20.9%
Nebraska	75	3	550	628	11.9%	0.5%	87.6%
Nevada	175	0	52	227	77.1%	0.0%	22.9%
New Hampshire	7	1	243	251	2.8%	0.4%	96.8%
New Jersey	364	0	82	446	81.6%	0.0%	18.4%
New Mexico	90	1	501	592	15.2%	0.2%	84.6%
New York	42	1	654	697	6.0%	0.1%	93.8%
North Carolina	107	2	1,053	1,162	9.2%	0.2%	90.6%
North Dakota	46	1	284	331	13.9%	0.3%	85.8%
Ohio	283	28	757	1,068	26.5%	2.6%	70.9%
Oklahoma	90	2	342	434	20.7%	0.5%	78.8%
Oregon	129	5	137	271	47.6%	1.8%	50.6%
Pennsylvania	9	1,025	9	1,043	0.9%	98.3%	0.9%
Rhode Island	52	0	190	242	21.5%	0.0%	78.5%
South Carolina	26	7	763	796	3.3%	0.9%	95.9%
South Dakota	17	2	228	247	6.9%	0.8%	92.3%
Tennessee	45	1	631	677	6.6%	0.1%	93.2%
Texas	12	379	422	813	1.5%	46.6%	51.9%
Utah	32	0	221	253	12.6%	0.0%	87.4%
Vermont	14	13	396	423	3.3%	3.1%	93.6%
Virginia	4	1	896	901	0.4%	0.1%	99.4%
Washington	486	15	470	971	50.1%	1.5%	48.4%
West Virginia	1	0	592	593	0.2%	0.0%	99.8%
Wisconsin	21	0	733	754	2.8%	0.0%	97.2%
Wyoming	109	15	308	432	25.2%	3.5%	71.3%
Total	9,035	1,858	24,126	35,019	25.8%	5.3%	68.9%

Conclusion

In the years since the landmark Intermodal Surface Transportation Efficiency Act (ISTEA) legislation ushered in a multimodal approach to federal transportation funding, states have, over time, increasingly separated out into two distinct groups: 1) states with a long-standing commitment to Transportation Enhancements (TE), Transportation Alternatives Program (TAP), and now Transportation Alternatives Set-Aside (TASA) projects; and 2) states who are divesting from the program through inactivity, lapsing or transfers. This dichotomy grew in fiscal year (FY) 2017, which saw both an increase in obligations and a steady stream of rescissions, lapses and transfers. An examination of the programmed spending performance of individual states indicates that many states continue to exhibit a commitment to use these funds to expand travel choice, strengthen the local economy, improve quality of life and protect the environment.

Obligations

Obligation activity was remarkably high in the past fiscal year, with the cumulative rate at 99 percent. A possible reason for this could be due to states obligating more funding prior to the June 2017 rescission for that fiscal year. In at least one state, Illinois, state department of transportation (state DOT) officials instructed local jurisdictions to obligate as much TE/TAP/TASA funding as possible before the rescission.

However, with the FY 2017 rate at 99 and the FY 2016 rate at 89 percent, this was not just a one-year occurrence. These two rates are a departure from the eight years prior, where from FY 2008 to FY 2015, the average obligation rate was 64.75 percent, ranging by year from 59 percent to 74 percent. It is clear that in the first two years of TASA, obligation rates have never been higher in the last decade of the program.

There could be a number of reasons for this:

1. **Rising Unobligated Balances** – These two years of significantly increased obligation rates could be related to the historically low obligation rates in the past; years of low obligation rates might have resulted in a multiyear backlog of accumulated funds that states now wish to obligate. Some states receive small annual apportionments and may have waited to build up an unobligated balance before funding projects. This phenomenon is likely to have been compounded by the immediate threats of rescissions and lapsing.
2. **Immediate Threat of Rescissions and Lapsing** – In addition to the FY 2017 rescission, the Fixing America's Surface Transportation (FAST) Act has a built-in rescission in FY 2020 when the legislation expires. States have known this since 2016, and it is possible that they have been working to obligate as much funding as possible before 2020. Additionally, it is highly likely that states are obligating old TE and TAP funds to prevent lapsing. In some states, the only Surface Transportation Program (STP) funds left are the set-asides for TE, and all states are now faced with the decision to use or lose TAP funds as per lapsing rules.
3. **Programmatic Changes by State DOTs** – Individual states may have seen greater obligation rates due to more experience or improvements in how they administer the program.

These are merely speculative reasons for the obligation trend seen; individual interviews with all state DOT officials would be necessary to corroborate or disprove them, which is beyond the scope of this report.

Rescissions, Lapsing and Transfers

Rescission rates per state can be considered a reflection of a state's historically low obligation rates leading to a buildup of unobligated funds—a buildup too high to fully obligate, thus leading to a rescission.

Nationally, TE/TAP/TASA represents \$74.8 million, or 8.7 percent of the \$857 million in rescissions across all states and transportation programs. For reference, TASA represents 1.8 percent of the Federal-aid Highway Program over the life of the FAST Act.

Some may wonder if states transferred funds this year specifically in preparation for the 2017 rescission. The data alone does not exist to support this supposition. The rescission was made on June 30, 2017. Looking at the individual transfer lines, 40 inter-agency transfers were made before the rescission and 35 after, while 19 inter-program transfers were made before and 13 transfers after. Considering that the rescission came three-fourths of the way through the fiscal year, it would not be unusual to have more transfers before the rescission. Only three inter-agency and seven inter-program transfers were made in the month of June. These transactions do not speak to a nationwide correlation between transfers and rescissions, despite the theoretical possibility for an individual state. It is impossible to determine individual state reasons for transferring funds without interviewing the 20 states who transferred funds.

In the past two years, eight states have **lapsed** \$23 million in TAP funding, with the funds disappearing and no longer useable. Because there are simple measures to prevent lapsing from occurring—either obligating or transferring funds—the \$23 million in TAP that has lapsed reflects either neglect or ignorance on the part of state DOTs.

In 2013, the Moving Ahead for Progress in the 21st Century Act (MAP-21) allowed a much greater percentage of TAP funds to be moved via inter-program transfers—up to half of all funds apportioned to the state. This continues today under the FAST Act. There is now enough data to indicate that **inter-program transfers** have risen significantly since the beginning of MAP-21 and that most states are taking advantage of the policy changes in MAP-21 to disinvest from the program through such transfers. While some states *have* spent transferred funds on TA-eligible projects, others do not keep track or use funds for road construction. Nevertheless, the amount transferred is staggering.

For example, in the past five years (FY 2013–2017), inter-program transfers from TE have totaled \$83.5 million, versus \$438.5 million in TAP and \$193.7 million in TASA. In just five years, the \$632.2 million in TAP + TASA inter-program transfers represents 62 percent of the cumulative \$1.02 billion of all transferred funds—inter-agency and inter-program alike—transferred in the past 25 years since 1992. Put another way, the MAP-21 transfer policy changes have resulted in 62 percent of all transfers ever made from the program.

Taken together, rescissions, lapsing and inter-program transfers represent a collective “leaky bucket,” providing holes through which TE/TAP/TA funds can be lost or used for non-eligible projects (e.g., building highways). In FY 2017, \$74.8 million in rescissions plus \$18.4 million in lapsing plus \$111.5 million in inter-program transfers represents a cumulative \$204.7 million “lost” from the traditional competitive TA program. This is 27 percent of the total apportioned that year (\$850 million minus \$85 million for the Recreational Trails Program = \$750 million).

Reflecting on 26 Years

Obligation rates in the past two years are much higher than in the past decade. This most likely reflects a buildup of older, unobligated funding combined with the immediate threats of rescissions and lapsing if funds aren't obligated.

At the same time, a sizeable portion of funding for the program—about 22 percent—has also been “lost” through rescissions, lapsing and transfers. Most of this has occurred in the past five years through inter-program transfers, due to a broadened transferability policy in MAP-21.

Overall, while the “leaky bucket” of rescissions, lapses and transfers continues to grow, the number of projects funded and amount of funding obligated continues to grow as well—and at a much higher rate. FY 2017 represents the 26th year of funding apportioned to the TE/TAP/TASA program. In that time, the program has obligated more than \$12.7 billion for more than 35,000 projects across the country to create more infrastructure for walking and biking, preserve historic transportation assets, protect environmental assets and more. Communities across the country are seeing changes that reflect the transformative power of these investments: more protected bicycle lanes, more multiuse pathways, more streetscaping that invites foot traffic and lively main streets.

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About TrADE

The Transportation Alternatives Data Exchange (TrADE) is operated by Rails-to-Trails Conservancy. TrADE helps stakeholders at the federal, state and local levels understand and implement the use of Transportation Alternatives Set-Aside (TASA) funds. TASA provides funding from the federal government for projects that expand travel choice, strengthen the local economy, improve quality of life and protect the environment. Eligible projects include most activities historically funded as “Transportation Enhancements,” the Recreational Trails Program and the Safe Routes to School program. TrADE provides transparency, promotes best practices, and provides citizens, professionals and policy makers with information and access to funding data.

From 1996 to 2013, TrADE operated as the National Transportation Enhancements Clearinghouse, as a partnership between Rails-to-Trails Conservancy and the Federal Highway Administration.

For more information, visit trade.railstotrails.org.

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