



**Transportation Alternatives
Spending Report
Fiscal years 1992–2019**

August 2020

Cover photo: Courtesy Seattle DOT CC by 2.0

Transportation Alternatives Spending Report Fiscal Years 1992–2019

August 2020

Prepared by Transportation Alternatives Data Exchange

This report supersedes all previously published editions.

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 Transportation Alternatives Set-Aside (TASA) program. 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 policymakers 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.

Acknowledgments

This report was written and produced by Mary Ellen Koontz and Torsha Bhattacharya, reviewed by Kevin Mills, edited by Amy Kapp and Sharon Congdon, and designed by Joe LaCroix. Data collection, and table and figure production, were undertaken by Tiffany Mulally. The report was produced for the Transportation Alternatives Data Exchange (TrADE) at Rails-to-Trails Conservancy.

This publication would not be possible without the contributions of staff from state departments of transportation. The accuracy of the data they provide is crucial to the value of this report.

Suggested Citation

Mary Ellen Koontz; Torsha Bhattacharya, Ph.D., *Transportation Alternatives Spending Report Fiscal Years 1992–2019* (Washington, D.C.: Rails-to-Trails Conservancy, 2020).

Table of Contents

EXECUTIVE SUMMARY	2
A Complex Era for Dedicated Funding	2
INTRODUCTION	3
Spending Analysis	4
Lessons From FY 2019	5
FAST ACT REVIEW	6
FAST Act Preserves Core Funding for Transportation Alternatives.....	7
Features of TASA	8
THE TRANSPORTATION ALTERNATIVES ELIGIBILITIES	9
UPDATING THE TRADE DATABASE	12
SPENDING ANALYSIS	13
Apportionments	14
Obligations.....	15
Obligation Rates by Fiscal Year	15
Recent Trends in Obligation	16
TA Obligations by Area.....	18
Reimbursements	22
RESCISSIONS, LAPSING AND TRANSFERS	24
Contract Authority	24
Rescissions.....	24
Lapsing	25
Transfers	27
Metropolitan Planning Organization Uses of TASA Funds.....	29
PROGRAM ANALYSIS	30
The Project List.....	30
Findings by Eligibility	30
Bicycle and Pedestrian Project Subtypes	32
Future Programming.....	33
Average Federal Awards and Match Rates	33
Programming Analysis Caveats	35
CONCLUSION	36
Obligations.....	36
Rescissions, Lapsing and Transfers	36
Reflecting on 28 Years.....	37
Looking Ahead.....	37
NOTES	38

List of Tables and Figures

Figure 1: Cumulative TE/TAP/TASA Financial Summary, FYs 1992–2019	4
Figure 2: TE/TAP/TASA Financial Summary, FY 2019	5
Figure 3: Distribution of Transportation Alternatives (TA) Set-Aside Funds Within States	6
Figure 4: State Data Collection Provided to TrADE, FY 2019	12
Figure 5: Available Balance, Apportionment, Obligation, Transfers and Rescissions by Year, FYs 2009–2019	13
Figure 6: TE/TAP/TASA Apportionments by Year, FYs 1992–2019	14
Figure 7: TE/TAP/TASA Funding Obligated by Year, FYs 1992–2019	15
Table 1: Unobligated Funds as of FY 2019	17
Table 2: TA Obligations by Large Urbanized Area Suballocation, FY 2019.....	19
Table 3: TA Obligations by Large Urbanized Area Suballocation and State Allocation, FY 2019.....	20
Table 4: State TE/TAP/TASA Program Benchmarks, FYs 1992–2019 (in thousands of dollars)	22
Table 5: Lapsed TAP Funds, FYs 2016–2019.....	26
Table 6: Inter-Agency and Inter-Program Transfers of TE/TAP/TASA, FY 2019 (in thousands of dollars).....	28
Figure 8: Distribution of Federal Funding by TE/TAP/TASA Eligibility Grouping, FYs 1992–2019 (in millions of dollars).....	30
Figure 9: Distribution of Federal Funding by TA Activity, FYs 2014–2019 (in millions of dollars)	31
Figure 10: Distribution of Funding Across Projects With Designated Bike and Pedestrian Subtypes, FYs 1992–2019 (in millions of dollars).....	32
Table 7: Cumulative Programmed Federal Awards and Matching Funds, FYs 1992–2019 (in thousands of dollars).....	34

EXECUTIVE SUMMARY

The Transportation Alternatives Set-Aside (TASA) is the largest dedicated source of funding for trails, walking and biking in the United States. Since 1991, this program, formerly known as Transportation Enhancements (TE), has transformed the landscape of the country. Under the program, states have been able to make critical investments in building safe places to walk and bike. As a result, the United States now boasts more than 37,000 miles of multiuse trails, with communities reaping the long-known benefits. This infrastructure connects people to each other, creates economic vitality and promotes healthy outdoor mobility—saving money and decreasing roadway congestion, while reducing pollution and health care costs.¹

Since the inception of dedicated Transportation Alternative (TA) programs, Rails-to-Trails Conservancy (RTC) has monitored how these funds have been invested and the projects that have been built. This annual Transportation Alternatives Spending Report is an important tool for advocates, states and the active transportation movement at large to understand and strengthen the program—improving the efficiency and impact of the investments made.

The 2019 report found that 98% of the TASA funds obligated to projects in the last five years were used to fund trails, walking and biking. However, the national pipeline of potential projects needed to create connected active-transportation networks far exceeds the current level of funding and rate of obligation.

- Obligation rates reached 103.7% of available funds, or \$795 million; states actively obligated remaining available funds from previous years.
- 91% of TE/TA/TASA funds were reimbursed.
- Approximately 30% of the total FY 2019 TA apportionment, or \$241 million, was lost through lapsing and transfers; states lost \$19 million to lapses in FY 2019, and \$222 million was transferred out of the program, largely to the STP/STBG and the Highway Safety Improvement Program, a trend that began under MAP-21 and continues under the Fixing America's Surface Transportation (FAST) Act.

A Complex Era for Dedicated Funding

When Congress passed the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), the legislation brought together roads, railroads, transit and other modes of transportation—including walking and biking—under one umbrella. Most notably, it established funding for TE activities that included building rail-trails and other facilities for walking and biking, improving main streets left behind by the interstates, preserving transportation history and mitigating environmental impacts of transportation.

ISTEA was an important development for trails, walking and biking; prior to the legislation, little was spent on walking and biking facilities. Using federal data, estimates indicate that from 1973 to 1991, a total of \$40.7 million was spent on individual walking and biking projects that were not incidental to rebuilding a roadway. One year after ISTEA and the establishment of TE, \$93.9 million was spent on the same types of projects.

TE continued to build America's walking and biking infrastructure for the next two decades until, in July 2012, the Moving Ahead for Progress in the 21st Century Act (MAP-21) erased some of the gains that ISTEA had introduced. That reauthorization of federal transportation law consolidated several active transportation programs under the TA program, cutting its funding by a third, as compared with the investments made under TE. Most significantly, however, MAP-21 made it easier for states to transfer funds out of TA—a development that was further solidified by the

most recent Fixing America's Surface Transportation (FAST) Act legislation. Since MAP-21 was implemented, states have transferred \$662 million out of TA in just seven years compared with \$192 million that was transferred over the previous two decades (FY 1992–FY 2012).

The FAST Act, the bill that currently funds TASA programs, scheduled a rescission of unobligated funds for July 2020. The threat of losing unobligated balances caused many states to increase the rate at which they obligated funds for the 2019 fiscal year in order to reduce the balances from which the rescission amounts would be determined. While the rescission was ultimately repealed as part of a short-term funding bill in the fall of 2019, states must continue to obligate funds at a higher rate to ensure that TASA funds are used for their intended purposes.

Transportation Alternatives represents the single largest federal investment in trails and is among the smallest line items in surface transportation spending—the siphoning of funds away from the program paired with a reduced overall budget creates a funding loss that can be debilitating to states' and communities' plans for trails, walking and biking. This funding loss could encourage states to deprioritize the program, leaving unspent money on the table and discouraging additional federal funding. Furthermore, continuation of stagnant funding levels will continue to lessen the purchasing power and the impact of the program.

INTRODUCTION

Since 1991, Congress has maintained a dedicated funding stream for “transportation alternatives” or “enhancements” through a series of federal transportation funding bills.

The current federal transportation funding bill, the Fixing America’s Surface Transportation (FAST) Act, was enacted in 2015 as the first long-term funding bill in over a decade. The bill contains an important Transportation Alternatives Set-Aside (TASA) used to fund bicycle and pedestrian transportation as well as other critical transportation systems.

The FAST Act was preceded by a series of bills supporting a new era of federal transportation policy that began with the passage of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). ISTEA was 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 Program 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 (FY) 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 FY 2015, Congress extended MAP-21 through a series of short-term authorizations, including funds for TAP. The FAST Act replaced MAP-21 in December 2015 and is set to expire in September 2020.

This report documents and examines funding through Sept. 30, 2019, the conclusion of FY 2019. 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’s (FHWA’s) Financial Management Information System (FMIS) and the Transportation Alternatives Data Exchange (TrADE) project database, developed through more than 25 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, policymakers, practitioners and citizens who want to understand how federal funding shapes America’s transportation system and its communities.

Common Acronyms Used in This Report

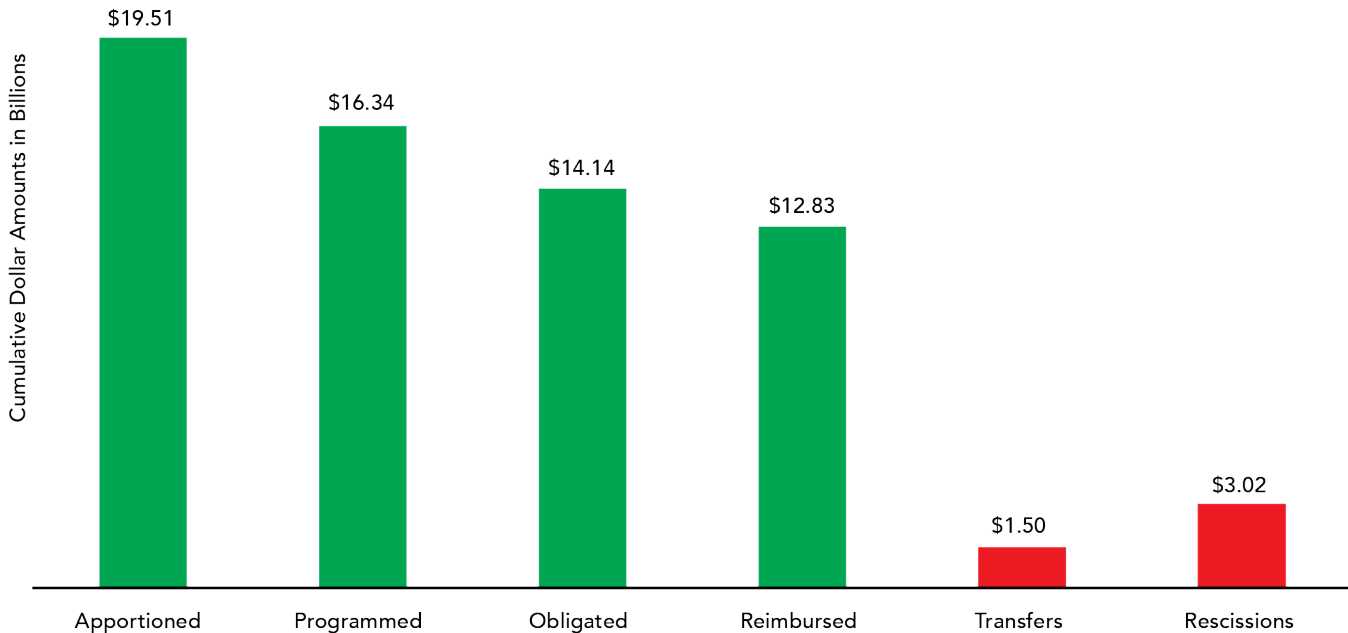
DOT: Department of Transportation	MAP-21: Moving Ahead for Progress in the 21st Century Act of 2012	STBG: Surface Transportation Block Grant
FAST Act: Fixing America’s Surface Transportation Act of 2015	MPO: Metropolitan Planning Organization	STP: Surface Transportation Program
FHWA: Federal Highway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

Spending Analysis

From 1992 through 2019, Congress apportioned \$19.51 billion to the states for TE, TAP and TASA projects as shown in Figure 1. During that time, \$3.02 billion was lost to rescissions, though the rescissions scheduled for 2018 and 2019 were repealed. The TrADE national project database shows that state departments of transportation (DOTs) have programmed a cumulative total of 36,204 TE/TAP/TASA projects from FY 1992 through FY 2019. (This does not include canceled projects or projects with no federal money.) A financial summary for FY 2019 follows in Figure 2.

The Federal-aid project funding cycle is successfully completed when federal dollars are dispersed to the project sponsor. Both the obligation and reimbursement rates are key performance measures for project implementation. The cumulative obligation rate for TE/TAP/TASA (FY 1992 to FY 2019) is 103.7%, which shows a strong commitment from states to pursue active transportation. The cumulative reimbursement rate for TE/TAP/TASA (FY 1992 to FY 2019) is 91% and indicates that TAP is treated as a priority in most states.

Figure 1: Cumulative TE/TAP/TASA Financial Summary, FYs 1992–2019

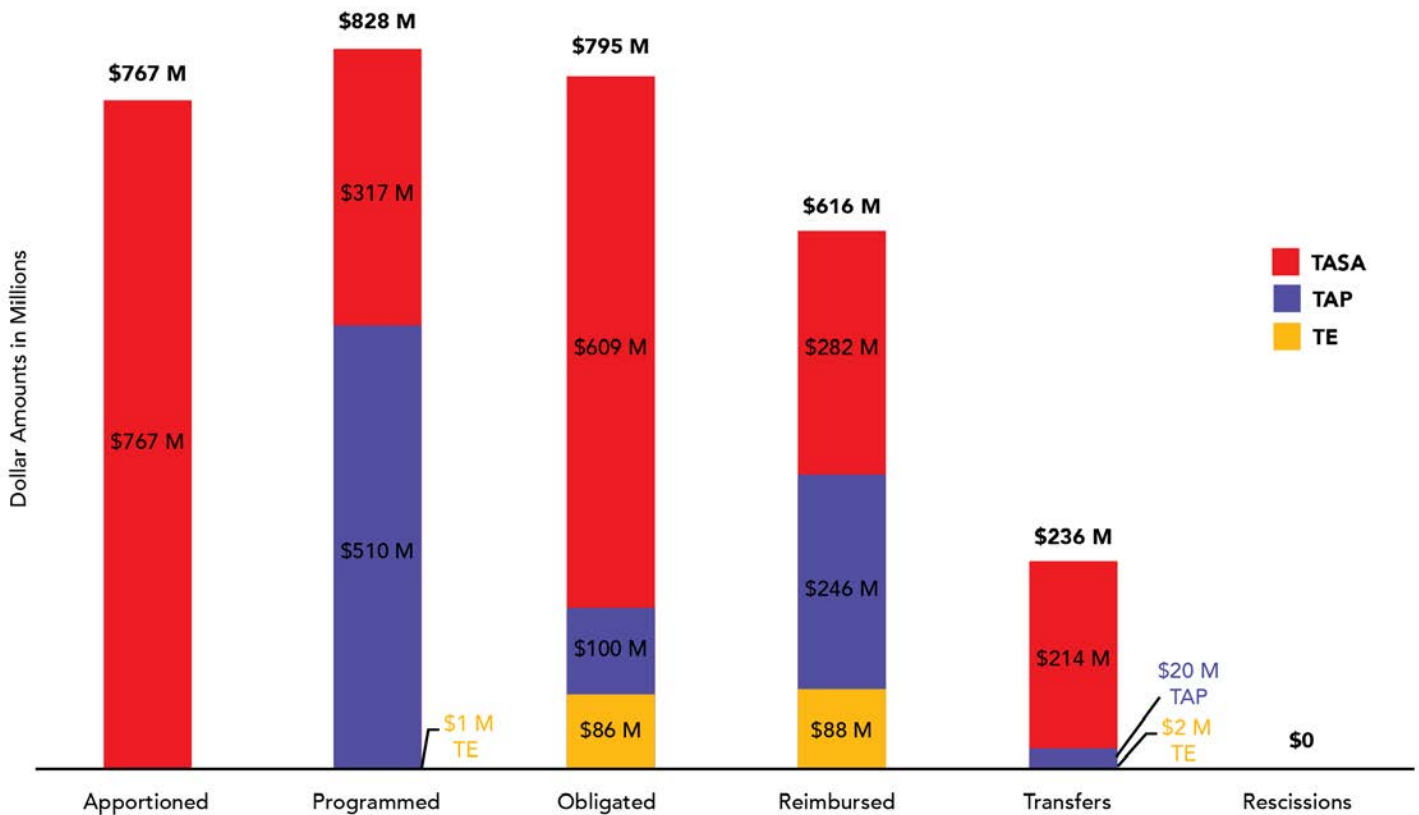


Lessons From FY 2019

The FAST Act, in its fourth year since implementation began in FY 2016, continues to see states using available remaining TAP funds from previous funding bills while concurrently using available TASA funds. The use of TE funds from bills prior to the introduction of MAP-21 in 2013 were minimally used for obligations and reimbursements as they continue to be phased out.

At the same time, in FY 2019, 27 states transferred \$211 million in TAP/TASA to the Surface Transportation Program/Block Grant Program (STP/STBG) and the Highway Safety Improvement Program (HSIP) (see Table 7 for more details)—which was about 27.5% of all funds apportioned that year. A key component of the FAST Act was a clause for the rescission of unobligated funds. The FHWA was scheduled to rescind (i.e., take back) unspent federal transportation dollars that had previously been allocated to states for active transportation, transit and highway infrastructure projects in July 2020. This resulted in several states increasing their programming of TASA funds to ensure the funding remained.

Figure 2: TE/TAP/TASA Financial Summary, FY 2019



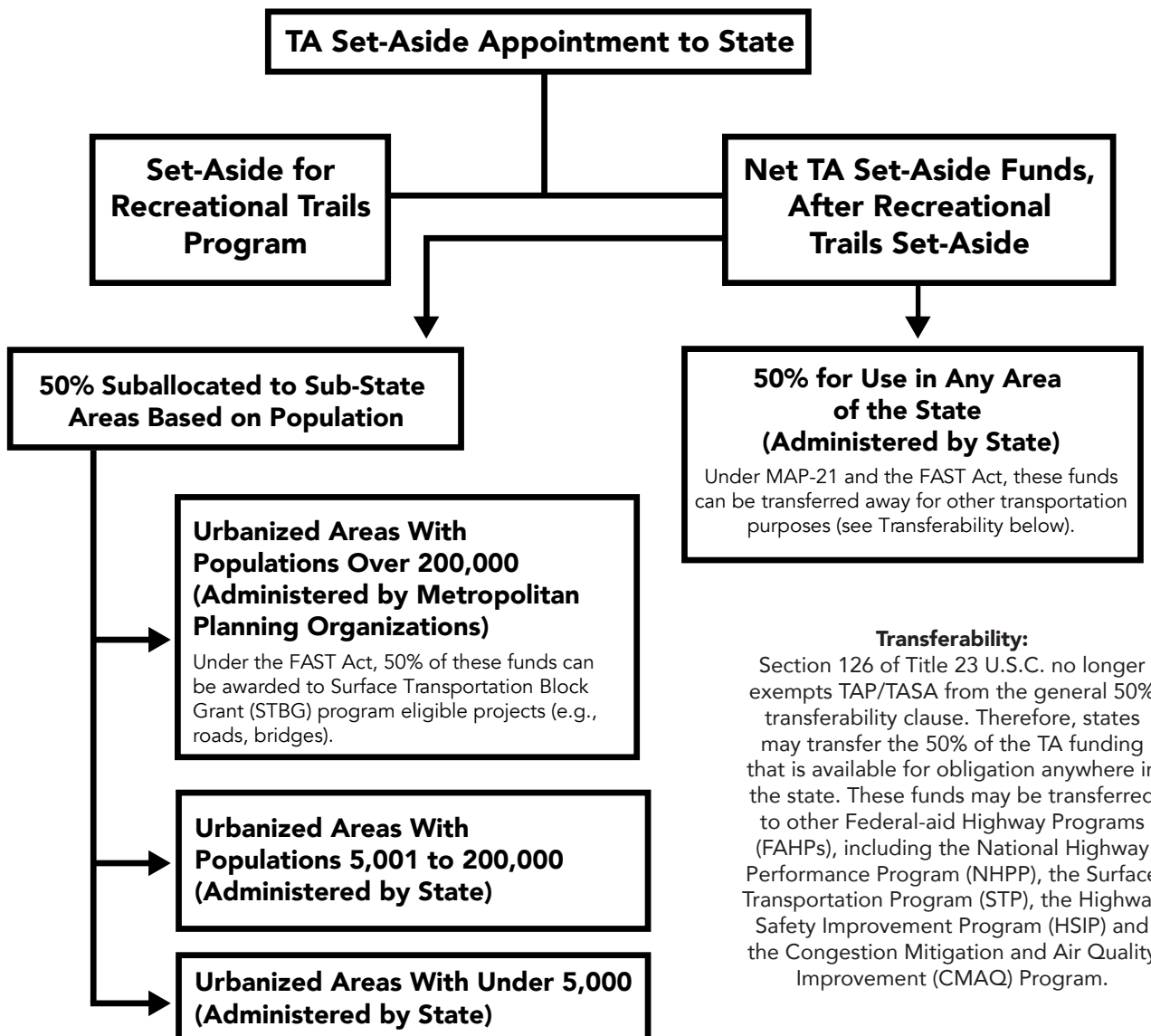
FAST ACT REVIEW

The Fixing America's Surface Transportation (FAST) Act was signed into law in December 2015 following a series of short-term extensions of the Moving Ahead for Progress in the 21st Century Act (MAP-21), which had been set to expire in September 2014. The five-year FAST Act was the first long-term funding bill in more than a decade, covering fiscal years (FYs) 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 (FYs 2016–2017) and \$850 million for each of the remaining three years (FYs 2018–2020), with \$85 million of those figures reserved for the Recreational Trails Program (RTP) per year.

The FAST Act is currently set to sunset in September 2020.

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



FAST Act Preserves Core Funding for Transportation Alternatives

Under the FAST Act, TASA includes all projects and activities that were previously eligible for funding under TAP. The move to Transportation Alternatives (TA) through MAP-21 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 way funding is distributed within states, as shown in Figure 3 on page 6, which was developed under MAP-21. Funds for the RTP set-aside are allocated first.² From the remaining funds, half of TASA funding is then suballocated to areas based upon their relative share of the state's total population. This share of the 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. The remaining 50% can be obligated anywhere in the state by its department of transportation (DOT).

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 DOT.

TASA funds must be distributed through a competitive process. Only up to 80% of the eligible project costs can be reimbursed by the federal government; the remaining 20% of the project costs must be covered by matching funds at the state or local level. Funds from RTP are able to be used to match other federal funds in place of, or as part of, the state or local match.

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

In addition to Transportation Alternatives (TA) funding, the Fixing America's Surface Transportation (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 (SIBs) to use TIFIA funds to make financing more accessible for projects in rural areas.
- Streamlines the 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.

With the impending expiration of the FAST Act in September 2020, further reforms could make TA funding more accessible for trails and active transportation projects.

Features of TASA

The FAST Act largely continued the provisions of MAP-21 related to Transportation Alternatives, though the bill contained a few noteworthy updates to eligible activities and required reporting.

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% of its sub-allocated TASA funds for any project or activity eligible under the broader STBG program (roads, bridges, etc.), effectively capping transfers out of the program. 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 U.S. 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 FY 1992 to the present, providing a cumulative view of this type of funding since the Transportation Enhancements program began under the Intermodal Surface Transportation Efficiency Act (ISTEA) in 1991. 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 function of FHWA's data collection and reporting 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.).

In contrast, TrADE's data collection for its annual Spending Analysis Report provides a more detailed perspective on spending patterns of TE, TAP and TASA funds. Because TrADE collects data from all three funding sources, the report provides a more historical summary and long-term review of demand for 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 are 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 and a better understanding of how states prioritize the various projects funded under the respective programs. The Spending Analysis Report communicates the high return on investment of TE, TAP and TASA funds used for walking, biking and other programs while encouraging a level of transparency that upholds a standard of accountability that is exemplary for all transportation programs.

THE TRANSPORTATION ALTERNATIVES ELIGIBILITIES

A Transportation Alternative (TA) 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 (RTP) and Safe Routes to School (SRTS) program qualify.³



Pedestrian and Bicycle Facilities: Providing 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



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



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



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

THE TRANSPORTATION ALTERNATIVES ELIGIBILITIES



Outdoor Advertising Management: Conducting billboard inventories and removing illegal and nonconforming billboards



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



Vegetation Management: Improving roadway safety; preventing invasive species; providing erosion control



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

THE TRANSPORTATION ALTERNATIVES ELIGIBILITIES



Stormwater Mitigation: Addressing stormwater management with pollution prevention and abatement activities; preventing water pollution related to highway construction or due to highway runoff



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; producing publications and educational programs; and more



Safe Routes to School Program: Improving sidewalks, traffic calming, and pedestrian and bicycle crossings; providing on-/off-street bicycle facilities; implementing traffic diversion improvements; creating secure bicycle parking facilities; and more

Visit the Transportation Alternatives Data Exchange (TrADE) Image Library at trade.railstotrails.org/project_examples to view more pictures of these projects as well as other Transportation Enhancement (TE) and TA projects.

UPDATING THE TRADE DATABASE

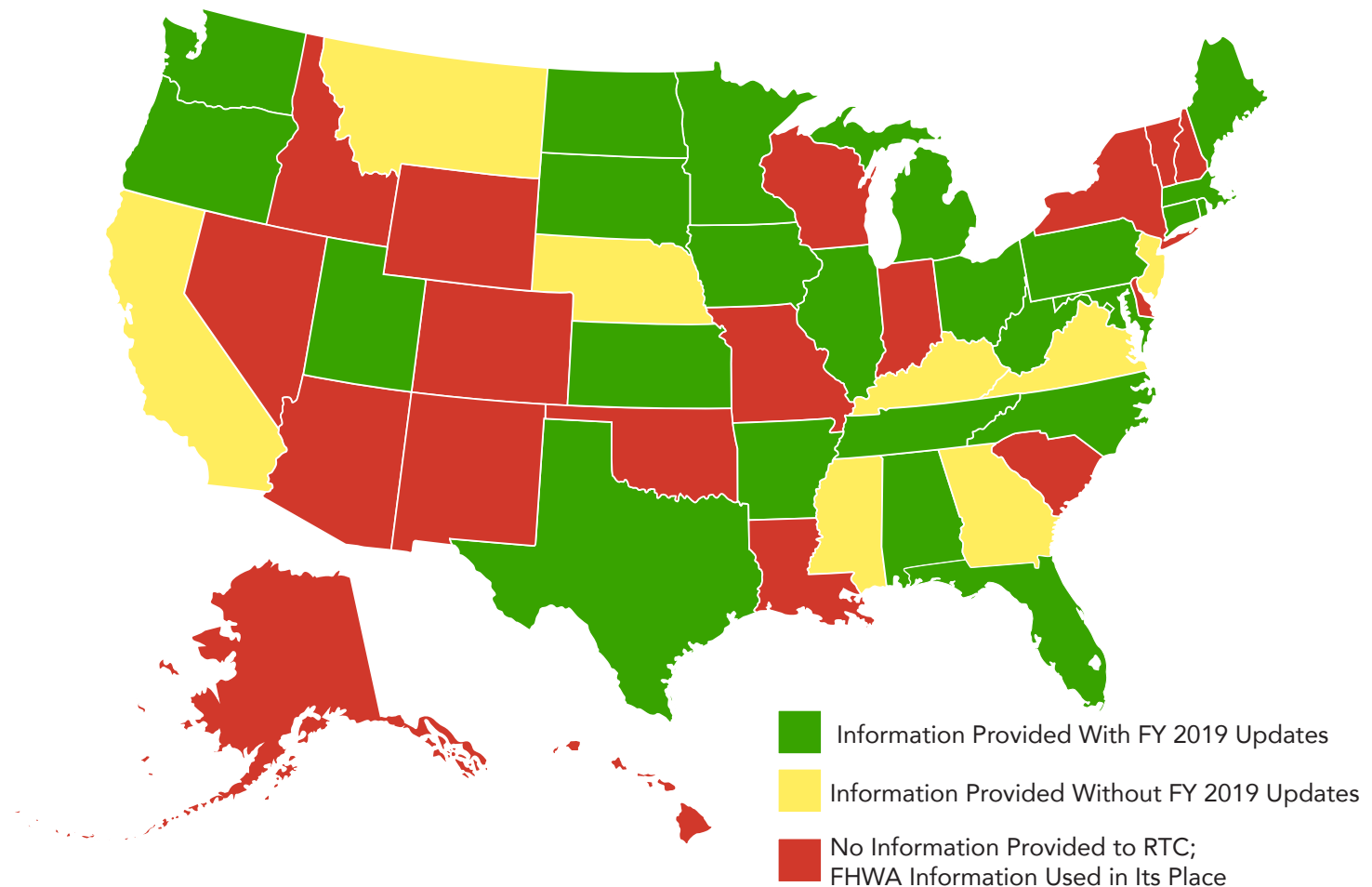
This report uses data collected and maintained by the Transportation Alternatives Data Exchange (TrADE) at Rails-to-Trails Conservancy (RTC), previously the National Transportation Enhancements Clearinghouse (NTEC). Beginning in 1993, RTC developed a database of funded Transportation Enhancement (TE) 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 2019 and April 2020.

Data for this report come from both FHWA's Financial Management Information System (FMIS) and state department of transportation (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 Alternatives Program (TAP) and now Transportation Alternative Set-Aside (TASA) projects contains 39,155 projects selected from FY 1992 to FY 2019. The database also contains 476 programmed projects for future fiscal years (FY 2020 to FY 2022). Combined, the list contains a total of 39,631 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. Because 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, 32 states and the District of Columbia provided programming information as shown in Figure 4.⁴

Figure 4: State Data Collection Provided to TrADE, FY 2019



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 2019. 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:

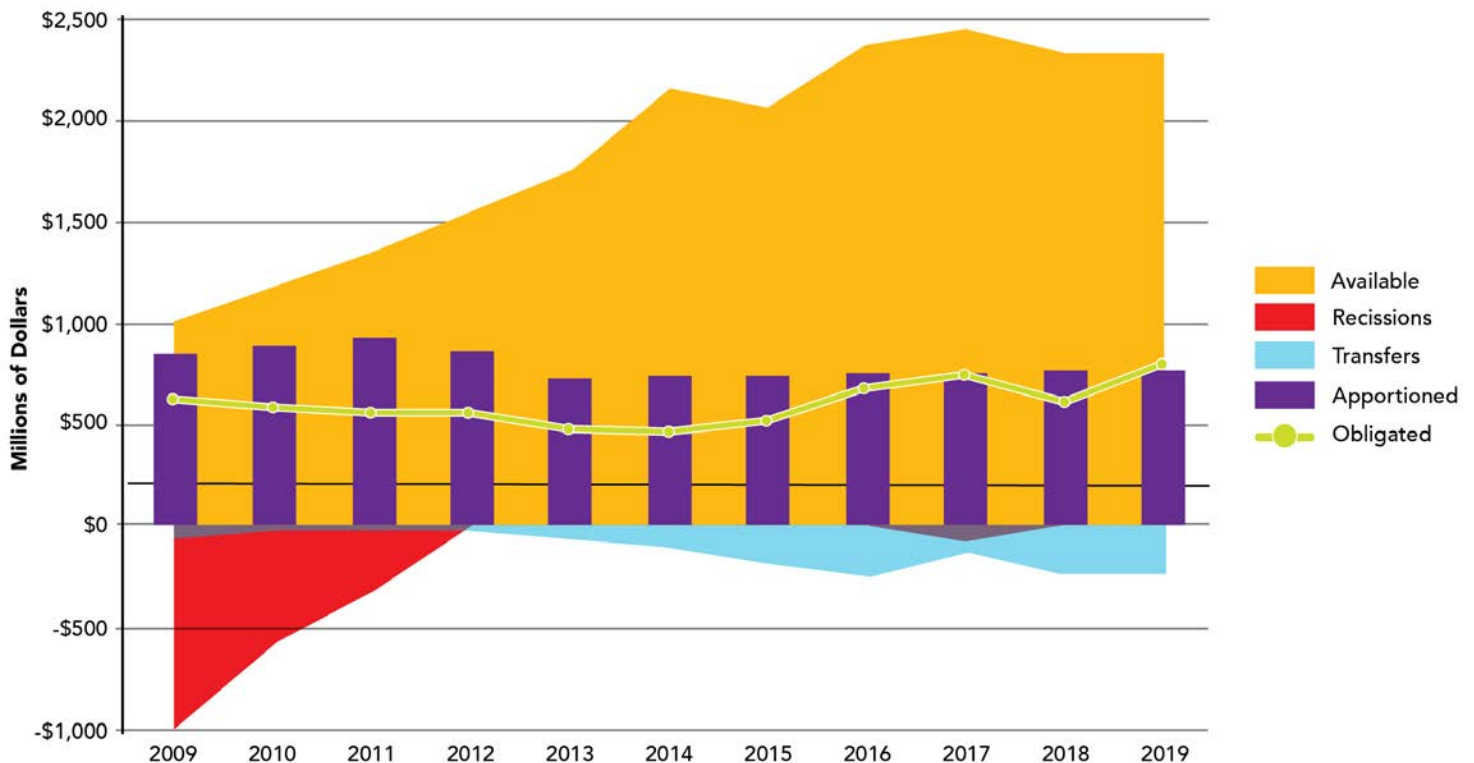
- **Apportionment:** FHWA apportions funds to each state, as determined by a formula in the federal legislation (e.g., the Fixing America’s Surface Transportation [FAST] Act). With TASA, 50% is suballocated to areas within the state based on population.
- **Programming:** State departments of transportation (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%).
- **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.⁵

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 2009 through FY 2019).

Figure 5: Available Balance, Apportionment, Obligation, Transfers and Rescissions by Year, FYs 2009–2019



SPENDING ANALYSIS

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 2019, TE, TAP and TASA apportionments included the following:

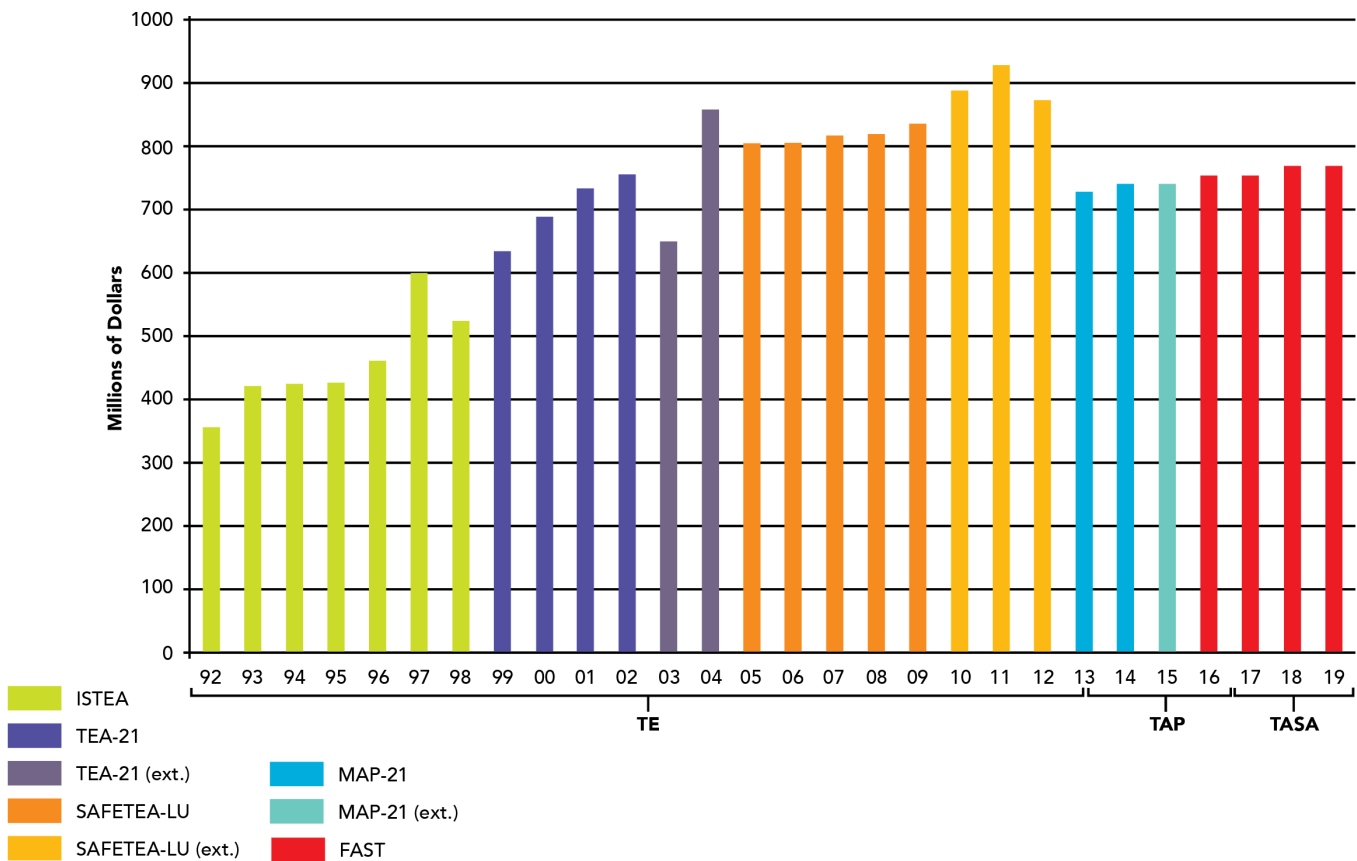
TE: Over the 21 years (FY 1992 through FY 2012) of Transportation Enhancements, the cumulative apportioned funding provided was \$14.27 billion. The remaining unobligated balance is \$164 million, a decrease from FY 2018 in which the balance was \$260 million. States had the ability to deobligate and reobligate funding for projects, which reset the period of availability—causing the unobligated TE balance to fluctuate.

TAP: Over the three years (FY 2013 through FY 2015) of TAP, cumulative funding apportioned to states was \$2.2 billion. The remaining unobligated balance is \$67 million, a decrease from FY 2018 in which the balance was \$181 million.

TASA: A total of \$767 million was apportioned in FY 2018 and FY 2019. A total of \$3.03 billion has been apportioned from FY 2016 to FY 2019. These numbers do not include the \$85 million off the top for the Recreational Trails Program (RTP) for each of the four years. The remaining unobligated balance is \$1.3 billion, an increase from FY 2018 in which the balance was \$1.3 million.

TE + TAP + TASA: The cumulative apportioned funding for TE, TAP and TASA (FY 1992 through FY 2019) is \$19.51 billion. The national apportionments by year are shown in Figure 6.

Figure 6: TE/TAP/TASA Apportionments by Year, FYs 1992–2019



Obligations

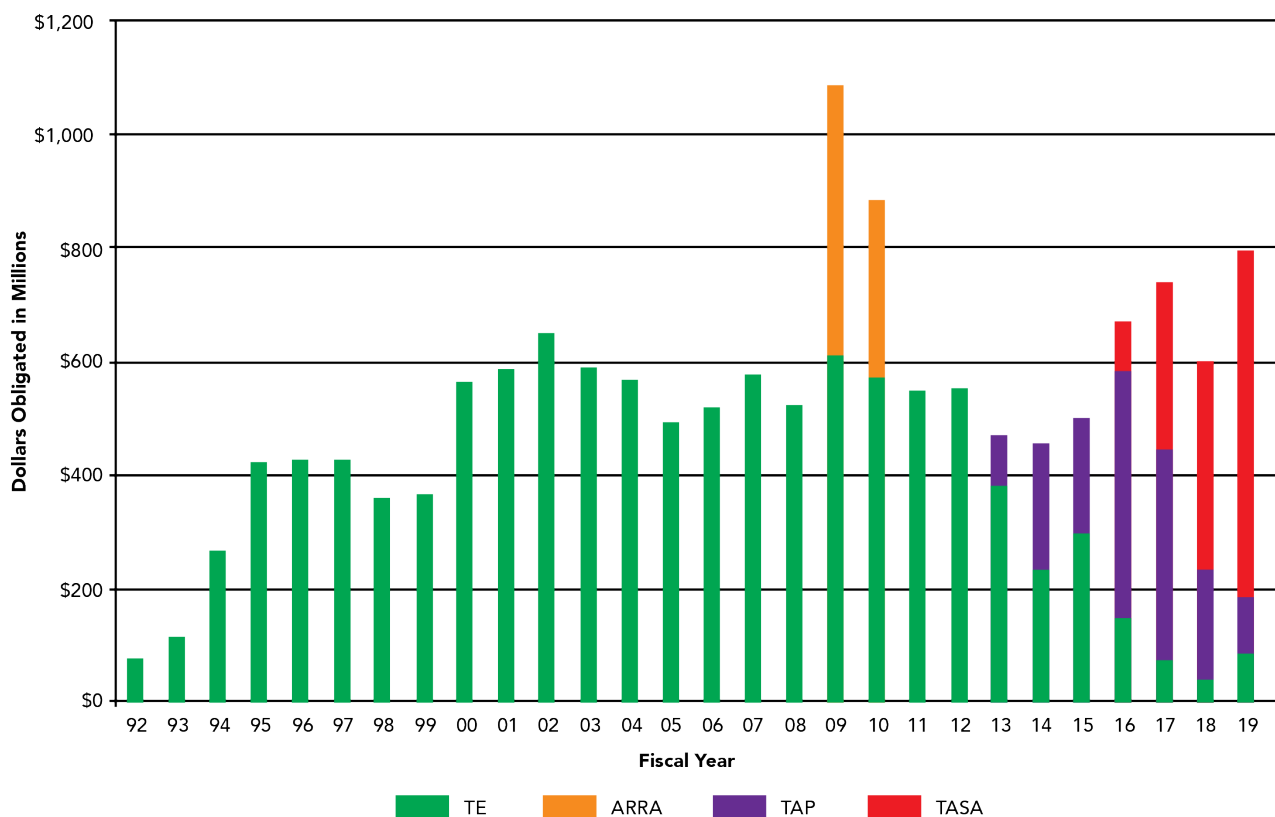
Obligations represent a significant step in the project implementation process, during which FHWA commits to reimburse states for the federal share of the cost of selected projects. Figure 7 shows the amounts obligated by year. This analysis examines overall obligation rates, recent trends in obligation 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 28 years, 72% of apportionments have been obligated on TE/TAP/TASA projects.

In FY 2009 and FY 2010, funds were available from the American Recovery and Reinvestment Act or ARRA (economic stimulus package) for Transportation Enhancement projects. In FY 2011 and FY 2012, \$4.63 million in ARRA funding was deobligated.

Figure 7: TE/TAP/TASA Funding Obligated by Year, FYs 1992–2019



The second method, shown in Table 1, is to compare the obligated amount to the apportionment in a particular fiscal year. Table 1 shows the unobligated TE/TAP/TASA balances. This amount shows how much of the year's apportionment has been obligated. This amount can vary between years, and some states have two-year funding cycles. As seen in Table 1, states are able to obligate more than 100% of one year's apportionment by "reaching back" to obligate funds apportioned from previous years.

During FY 2016, FY 2017 and FY 2018 only TASA funds were apportioned, but both "old" TE and TAP funds were obligated.

Recent Trends in Obligation

While the cumulative obligation rate is a useful measure, a state-by-state analysis of recent trends (i.e., past six years) in obligation rates provides further insight into TE/TAP/TASA spending by state DOTs and MPOs.

TE: During FY 2019, \$86 million in TE funds were obligated, an increase of more than 100% from the amount in FY 2018 (\$41 million). The unobligated TE balance was \$164 million, down from \$260 million in FY 2018. As noted previously, the unobligated TE balance will continue to fluctuate as states deobligate and reobligate funds.

TAP: In FY 2019, \$99.7 million in TAP funds were obligated, down from \$193 million in FY 2018. The unobligated TAP balance was \$67 million, down about 50% from FY 2018's unobligated balance of \$181.8 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 2019, the national obligation amount for TASA was \$608.9 million, up from \$367 million in FY 2018. This indicates that last year, states were focused on using remaining TE and TAP funds as well as obligating the newer TASA funds. As more TE and TAP funds became fully obligated and reimbursed, more TASA funds were obligated this year. \$1.3 billion was unobligated in FY 2019.

TE + TAP + TASA: In FY 2019, the combined obligation rate for TE, TAP and TASA was 103.7%, a significant increase from 78% in FY 2018. An increase in obligations may be due to accumulation of unobligated balances, combined with pressure to obligate funds to avoid rescissions and lapsing. A total of \$795 million was obligated in 2019 compared to \$600 million in 2018—a significant increase.

Table 1: Unobligated Funds as of FY 2019

State	2019 Apportionment	Obligation Rate (Obligation/2019 Apportionment)	Total Available Remaining	Obligation/Total Available Remaining	TE Unobligated Balance	TAP Unobligated Balance	TASA Unobligated Balance
Alabama	\$15,903,966	124.8%	\$54,000,275	36.8%	\$676,014	\$1,429,212	\$32,049,045
Alaska	\$5,255,429	8.5%	\$7,351,328	6.1%	\$0	\$9,384	\$6,895,040
Arizona	\$15,780,308	23.9%	\$46,806,205	8.0%	\$1,292,301	\$10,970,625	\$30,775,989
Arkansas	\$9,893,667	91.4%	\$18,583,909	48.6%	\$0	\$0	\$9,545,537
California	\$70,243,076	81.7%	\$221,318,225	25.9%	\$6,711,874	\$6,384,633	\$150,847,206
Colorado	\$10,703,299	51.3%	\$25,316,977	21.7%	\$0	\$210,446	\$19,616,577
Connecticut	\$9,013,604	76.9%	\$22,490,343	30.8%	\$1,530	\$579,507	\$14,975,258
Delaware	\$2,857,957	64.5%	\$5,151,244	35.8%	\$1,293,383	\$29,312	\$1,985,178
D.C.	\$2,462,399	143.0%	\$11,090,828	31.8%	\$68,794	\$543,373	\$6,956,571
Florida	\$49,130,914	87.0%	\$104,742,009	40.8%	\$895,135	\$2,342,272	\$58,753,808
Georgia	\$32,530,791	65.2%	\$100,945,131	21.0%	\$6,832,903	\$1,676,390	\$71,217,723
Hawaii	\$2,813,683	49.5%	\$19,861,956	7.0%	\$8,963,514	\$1,533,350	\$7,972,902
Idaho	\$3,985,854	90.7%	\$7,287,965	49.6%	\$39,787	\$984,142	\$2,648,592
Illinois	\$28,260,632	139.1%	\$131,153,718	30.0%	\$40,349,758	\$1,673,828	\$49,831,143
Indiana	\$22,079,877	85.0%	\$38,537,765	48.7%	\$401,518	\$219,711	\$19,157,853
Iowa	\$9,389,410	63.8%	\$16,868,381	35.5%	\$3,261,645	\$356,856	\$7,257,542
Kansas	\$9,439,444	141.7%	\$30,091,031	44.5%	\$113,000	\$1,511,342	\$15,087,717
Kentucky	\$12,114,631	256.3%	\$42,979,971	72.2%	\$0	\$378,317	\$11,555,931
Louisiana	\$10,850,931	34.3%	\$24,683,655	15.1%	\$203,319	\$1,492,837	\$19,267,416
Maine	\$2,058,242	97.1%	\$8,460,252	23.6%	\$131,840	\$844,959	\$5,483,993
Maryland	\$11,424,717	43.8%	\$36,760,869	13.6%	\$5,506,008	\$584,409	\$25,668,923
Massachusetts	\$10,967,563	77.7%	\$27,577,715	30.9%	\$0	\$970,100	\$18,081,731
Michigan	\$24,500,248	170.5%	\$66,688,804	62.6%	\$0	\$414,193	\$24,511,957
Minnesota	\$14,892,924	86.9%	\$24,332,255	53.2%	\$916,984	\$100,227	\$10,378,000
Mississippi	\$9,644,301	75.6%	\$43,895,004	16.6%	\$9,778,963	\$2,851,870	\$23,975,468
Missouri	\$18,636,252	58.2%	\$40,053,519	27.1%	\$0	\$6,590,083	\$22,608,655
Montana	\$4,501,546	98.9%	\$4,761,172	93.5%	\$0	\$0	\$310,012
Nebraska	\$5,800,536	118.5%	\$14,844,303	46.3%	\$123,954	\$150,963	\$7,696,422
Nevada	\$5,118,674	144.0%	\$16,375,143	45.0%	\$21,253	\$1,252,655	\$7,729,627
New Hampshire	\$2,693,395	-0.9%	\$7,471,525	-0.3%	\$482,488	\$1,071,835	\$5,942,077
New Jersey	\$17,225,758	154.1%	\$108,713,399	24.4%	\$32,313,123	\$2,729,500	\$47,126,259
New Mexico	\$6,158,457	28.2%	\$18,981,486	9.1%	\$2,972,288	\$184,540	\$14,088,698
New York	\$27,292,595	192.8%	\$117,289,819	44.9%	\$8,015,682	\$707,058	\$55,941,632
North Carolina	\$22,574,906	198.7%	\$70,800,183	63.4%	\$3,385,107	\$1,070,750	\$21,479,221
North Dakota	\$3,319,767	32.5%	\$6,266,363	17.2%	\$2,926	\$38,550	\$5,145,739
Ohio	\$27,350,112	88.9%	\$57,155,034	42.5%	\$0	\$0	\$32,838,238
Oklahoma	\$13,020,292	53.0%	\$39,155,882	17.6%	\$8,463,746	\$77,969	\$23,717,378
Oregon	\$7,814,037	91.2%	\$16,279,740	43.8%	\$0	\$482,417	\$8,672,539
Pennsylvania	\$26,560,844	85.3%	\$116,097,414	19.5%	\$0	\$91,908	\$93,340,645
Rhode Island	\$2,426,060	162.4%	\$11,379,721	34.6%	\$966,747	\$253,639	\$6,218,677
South Carolina	\$15,157,163	76.6%	\$42,841,496	27.1%	\$0	\$4,333,563	\$26,900,101
South Dakota	\$4,383,744	76.9%	\$3,652,341	92.4%	\$0	\$0	\$279,251
Tennessee	\$17,402,983	299.8%	\$73,954,741	70.6%	\$0	\$424,497	\$21,352,469
Texas	\$77,823,495	84.1%	\$197,183,155	33.2%	\$11,929,352	\$15,256	\$119,791,291
Utah	\$5,187,512	70.4%	\$12,832,790	28.5%	\$0	\$932,088	\$8,248,717
Vermont	\$2,234,902	83.9%	\$9,448,374	19.8%	\$1,278,032	\$79,691	\$6,215,798
Virginia	\$21,178,294	211.3%	\$80,351,304	55.7%	\$195,057	\$1,940,677	\$33,471,991
Washington	\$11,076,742	106.7%	\$33,967,500	34.8%	-\$965,819	\$1,746,512	\$21,370,815
West Virginia	\$5,884,975	73.2%	\$21,894,485	19.7%	\$5,838,834	\$479,626	\$11,270,647
Wisconsin	\$17,483,397	41.8%	\$60,059,399	12.2%	\$2,150,625	\$4,334,848	\$46,265,170
Wyoming	\$2,297,911	24.8%	\$8,266,239	6.9%	\$15,539	\$0	\$7,681,544
National	\$766,802,216	103.7%	\$2,327,052,343	34.2%	\$164,627,217	\$67,079,918	\$1,300,200,712

Unobligated Funding: While FY 2019 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 2019 was \$1.53 billion, a slight decrease from \$1.73 billion in FY 2018. State-specific unobligated balances at the close of FY 2019 are also reported in Table 1.

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 2 shows the FY 2019 obligation amounts for TAP and TASA projects, and the rates as compared to the FY 2019 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 and 200,000, respectively), as well as any-area funds that can be used for projects throughout the state. Table 3 shows FY 2019 obligations of TA funds by state, separated into MPO-administered funds and state-administered funds. Five states—Montana, North Dakota, South Dakota, Vermont and Wyoming—do not have large MPOs that qualify for suballocated TA funds. Historical apportionments by state are available online at trade.railstotrains.org/spending.

The national obligation rate for MPOs is 105%, but rates vary widely from state to state, ranging from 0% for Hawaii to 351% for North Carolina (as previous-year funds can also be obligated). For FY 2019, North Carolina's was particularly high because the state DOT strongly encouraged MPOs to obligate as much funding as possible. A similar trend is seen among states; the national obligation rate is 103%, and states range from 2% for Alaska to 311% for Tennessee. 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 slightly higher than state agencies, at 105% and 103%, respectively. In FY 2018, these rates for MPOs and state agencies were at 80% and 78% respectively.

Table 2: TA Obligations by Large Urbanized Area Suballocation, FY 2019

State	Apportionment	Obligations - TAP	Rate - TAP	Obligations - TASA	Rate - TASA	Obligations - TAP + TASA	Rate - TAP + TASA
Alabama	\$2,817,964	\$789,331	28%	\$796,806	28%	\$1,586,137	56%
Alaska	\$929,549	\$0	0%	\$359,775	39%	\$359,775	39%
Arizona	\$5,520,479	\$161,621	3%	\$3,909,590	71%	\$4,071,210	74%
Arkansas	\$1,300,767	\$0	0%	\$1,650,733	127%	\$1,650,734	127%
California	\$28,343,726	\$2,472,011	9%	\$22,510,285	79%	\$24,982,296	88%
Colorado	\$3,403,126	\$151,608	4%	\$1,476,364	43%	\$1,627,972	48%
Connecticut	\$3,374,489	-\$5,823	-0%	\$3,025,917	90%	\$3,020,094	89%
Delaware	\$766,461	-\$20,982	-3%	\$990,234	129%	\$969,252	126%
D.C.	\$1,231,199	\$329,745	27%	\$0	0%	\$329,745	27%
Florida	\$18,989,361	-\$496,285	-3%	\$15,917,377	84%	\$15,421,092	81%
Georgia	\$8,949,110	\$1,775,154	20%	\$3,894,129	44%	\$5,669,283	63%
Hawaii	\$829,914	\$0	0%	\$0	0%	\$0	0%
Idaho	\$444,567	\$0	0%	\$326,281	73%	\$326,281	73%
Illinois	\$10,299,707	\$11,949,353	116%	\$1,252,137	12%	\$13,201,490	128%
Indiana	\$5,080,008	-\$51,072	-1%	\$5,176,234	102%	\$5,125,162	101%
Iowa	\$1,019,457	\$1,320	0%	\$536,322	53%	\$537,643	53%
Kansas	\$1,879,834	\$0	0%	\$2,246,552	120%	\$2,246,552	120%
Kentucky	\$2,143,913	\$741,045	35%	\$2,131,821	99%	\$2,872,867	134%
Louisiana	\$2,447,481	-\$31,123	-1%	\$823,530	34%	\$792,407	32%
Maine	\$157,978	\$0	0%	\$38,240	24%	\$38,240	24%
Maryland	\$4,170,589	\$140,333	3%	\$863,682	21%	\$1,004,015	24%
Massachusetts	\$4,679,378	-\$65,843	-1%	\$1,756,483	38%	\$1,690,640	36%
Michigan	\$6,884,136	\$18,395	0%	\$8,532,599	124%	\$8,550,994	124%
Minnesota	\$3,721,338	\$23,803	1%	\$1,804,161	48%	\$1,827,963	49%
Mississippi	\$1,119,264	\$677,025	60%	\$136,400	12%	\$813,425	73%
Missouri	\$4,523,673	\$9,256	0%	\$4,652,436	103%	\$4,661,692	103%
Montana							
Nebraska	\$1,453,327	\$85,245	6%	\$1,235,660	85%	\$1,320,905	91%
Nevada	\$2,220,618	\$629,663	28%	\$3,648,253	164%	\$4,277,916	193%
New Hampshire	\$319,286	\$0	0%	\$2,798	1%	\$2,798	1%
New Jersey	\$7,738,236	\$10,284,406	133%	\$2,195,577	28%	\$12,479,982	161%
New Mexico	\$1,154,468	\$0	0%	\$1,085,965	94%	\$1,085,965	94%
New York	\$10,783,948	\$3,809,400	35%	\$6,800,144	63%	\$10,609,544	98%
North Carolina	\$5,177,705	\$4,338,079	84%	\$13,825,146	267%	\$18,163,225	351%
North Dakota							
Ohio	\$8,142,461	\$0	0%	\$7,709,567	95%	\$7,709,567	95%
Oklahoma	\$2,632,595	\$557,480	21%	\$1,143,397	43%	\$1,700,877	65%
Oregon	\$2,013,528	-\$296,868	-15%	\$625,807	31%	\$328,938	16%
Pennsylvania	\$8,251,352	\$2,906,503	35%	\$5,972,170	72%	\$8,878,673	108%
Rhode Island	\$1,097,248	\$1,133,413	103%	\$1,120,000	102%	\$2,253,413	205%
South Carolina	\$3,057,672	\$328,430	11%	\$2,633,298	86%	\$2,961,728	97%
South Dakota							
Tennessee	\$3,732,985	\$74,070	2%	\$9,651,246	259%	\$9,725,316	261%
Texas	\$25,567,954	\$147,949	1%	\$37,361,690	146%	\$37,509,639	147%
Utah	\$1,923,896	\$656,161	34%	\$1,660,147	86%	\$2,316,308	120%
Vermont							
Virginia	\$6,404,578	\$3,115,642	49%	\$3,262,019	51%	\$6,377,661	100%
Washington	\$3,309,065	\$15,162	0%	\$479,636	14%	\$494,798	15%
West Virginia	\$178,277	\$0	0%	\$546,764	307%	\$546,764	307%
Wisconsin	\$3,430,359	\$141,575	4%	\$2,238,203	65%	\$2,379,778	69%
Wyoming							
National	\$223,617,026	\$46,495,182	21%	\$188,005,575	84%	\$234,500,756	105%

SPENDING ANALYSIS

Table 3: TA Obligations by Large Urbanized Area Suballocation and State Allocation, FY 2019

State	Apportionment			Obligation			Rate		
	MPO	State	Total	MPO - TAP + TASA	State - TE + TAP + TASA	Total	MPO	State	Total
Alabama	\$2,817,964	\$13,086,002	\$15,903,966	\$1,586,137		\$19,846,004	56%	140%	125%
Alaska	\$929,549	\$4,325,880	\$5,255,429	\$359,775	\$87,130	\$446,905	39%	2%	9%
Arizona	\$5,520,479	\$10,259,829	\$15,780,308	\$4,071,210	-\$303,920	\$3,767,291	74%	-3%	24%
Arkansas	\$1,300,767	\$8,592,900	\$9,893,667	\$1,650,734	\$7,387,638	\$9,038,372	127%	86%	91%
California	\$28,343,726	\$41,899,350	\$70,243,076	\$24,982,296	\$32,392,216	\$57,374,512	88%	77%	82%
Colorado	\$3,403,126	\$7,300,173	\$10,703,299	\$1,627,972	\$3,861,982	\$5,489,954	48%	53%	51%
Connecticut	\$3,374,489	\$5,639,115	\$9,013,604	\$3,020,094	\$3,913,954	\$6,934,048	89%	69%	77%
Delaware	\$766,461	\$2,091,496	\$2,857,957	\$969,252	\$874,118	\$1,843,371	126%	42%	64%
D.C.	\$1,231,199	\$1,231,200	\$2,462,399	\$329,745	\$3,192,345	\$3,522,090	27%	259%	143%
Florida	\$18,989,361	\$30,141,553	\$49,130,914	\$15,421,092	\$27,329,702	\$42,750,794	81%	91%	87%
Georgia	\$8,949,110	\$23,581,681	\$32,530,791	\$5,669,283	\$15,548,832	\$21,218,115	63%	66%	65%
Hawaii	\$829,914	\$1,983,769	\$2,813,683	\$0	\$1,392,190	\$1,392,190	0%	70%	49%
Idaho	\$444,567	\$3,541,287	\$3,985,854	\$326,281	\$3,289,164	\$3,615,445	73%	93%	91%
Illinois	\$10,299,707	\$17,960,925	\$28,260,632	\$13,201,490	\$26,097,500	\$39,298,989	128%	145%	139%
Indiana	\$5,080,008	\$16,999,869	\$22,079,877	\$5,125,162	\$13,633,520	\$18,758,682	101%	80%	85%
Iowa	\$1,019,457	\$8,369,953	\$9,389,410	\$537,643	\$5,454,696	\$5,992,338	53%	65%	64%
Kansas	\$1,879,834	\$7,559,610	\$9,439,444	\$2,246,552	\$11,132,421	\$13,378,973	120%	147%	142%
Kentucky	\$2,143,913	\$9,970,718	\$12,114,631	\$2,872,867	\$28,172,856	\$31,045,723	134%	283%	256%
Louisiana	\$2,447,481	\$8,403,450	\$10,850,931	\$792,407	\$2,927,677	\$3,720,084	32%	35%	34%
Maine	\$157,978	\$1,900,264	\$2,058,242	\$38,240	\$1,961,220	\$1,999,460	24%	103%	97%
Maryland	\$4,170,589	\$7,254,128	\$11,424,717	\$1,004,015	\$3,997,514	\$5,001,529	24%	55%	44%
Massachusetts	\$4,679,378	\$6,288,185	\$10,967,563	\$1,690,640	\$6,835,245	\$8,525,885	36%	109%	78%
Michigan	\$6,884,136	\$17,616,112	\$24,500,248	\$8,550,994	\$33,211,650	\$41,762,644	124%	189%	170%
Minnesota	\$3,721,338	\$11,171,586	\$14,892,924	\$1,827,963	\$11,109,081	\$12,937,044	49%	99%	87%
Mississippi	\$1,119,264	\$8,525,037	\$9,644,301	\$813,425	\$6,475,278	\$7,288,703	73%	76%	76%
Missouri	\$4,523,673	\$14,112,579	\$18,636,252	\$4,661,692	\$6,193,089	\$10,854,782	103%	44%	58%

SPENDING ANALYSIS

State	Apportionment			Obligation			Rate		
	MPO	State	Total	MPO - TAP + TASA	State - TE + TAP + TASA	Total	MPO	State	Total
Montana									
Nebraska	\$1,453,327	\$4,347,209	\$5,800,536	\$1,320,905	\$5,552,059	\$6,872,964	91%	128%	118%
Nevada	\$2,220,618	\$2,898,056	\$5,118,674	\$4,277,916	\$3,093,693	\$7,371,608	193%	107%	144%
New Hampshire	\$319,286	\$2,374,109	\$2,693,395	\$2,798	-\$27,674	-\$24,875	1%	-1%	-1%
New Jersey	\$7,738,236	\$9,487,522	\$17,225,758	\$12,479,982	\$14,064,535	\$26,544,518	161%	148%	154%
New Mexico	\$1,154,468	\$5,003,989	\$6,158,457	\$1,085,965	\$649,995	\$1,735,960	94%	13%	28%
New York	\$10,783,948	\$16,508,647	\$27,292,595	\$10,609,544	\$42,015,903	\$52,625,447	98%	255%	193%
North Carolina	\$5,177,705	\$17,397,201	\$22,574,906	\$18,163,225	\$26,701,880	\$44,865,105	351%	153%	199%
North Dakota									
Ohio	\$8,142,461	\$19,207,651	\$27,350,112	\$7,709,567	\$16,607,229	\$24,316,796	95%	86%	89%
Oklahoma	\$2,632,595	\$10,387,697	\$13,020,292	\$1,700,877	\$5,195,911	\$6,896,788	65%	50%	53%
Oregon	\$2,013,528	\$5,800,509	\$7,814,037	\$328,938	\$6,795,846	\$7,124,784	16%	117%	91%
Pennsylvania	\$8,251,352	\$18,309,492	\$26,560,844	\$8,878,673	\$13,786,188	\$22,664,861	108%	75%	85%
Rhode Island	\$1,097,248	\$1,328,812	\$2,426,060	\$2,253,413	\$1,687,245	\$3,940,658	205%	127%	162%
South Carolina	\$3,057,672	\$12,099,491	\$15,157,163	\$2,961,728	\$8,646,104	\$11,607,832	97%	71%	77%
South Dakota									
Tennessee	\$3,732,985	\$13,669,998	\$17,402,983	\$9,725,316	\$42,452,458	\$52,177,774	261%	311%	300%
Texas	\$25,567,954	\$52,255,541	\$77,823,495	\$37,509,639	\$27,937,616	\$65,447,255	147%	53%	84%
Utah	\$1,923,896	\$3,263,616	\$5,187,512	\$2,316,308	\$1,335,677	\$3,651,985	120%	41%	70%
Vermont									
Virginia	\$6,404,578	\$14,773,716	\$21,178,294	\$6,377,661	\$38,365,917	\$44,743,578	100%	260%	211%
Washington	\$3,309,065	\$7,767,677	\$11,076,742	\$494,798	\$11,321,194	\$11,815,992	15%	146%	107%
West Virginia	\$178,277	\$5,706,698	\$5,884,975	\$546,764	\$3,758,614	\$4,305,378	307%	66%	73%
Wisconsin	\$3,430,359	\$14,053,038	\$17,483,397	\$2,379,778	\$4,928,978	\$7,308,756	69%	35%	42%
Wyoming									
National	\$223,617,026	\$543,185,190	\$766,802,216	\$234,500,756	\$560,643,740	\$795,144,496	105%	103%	104%

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. The cumulative reimbursement amount for FY 1992 to FY 2019 was \$12.83 billion and the rate was 91%. Table 4 has the state-specific and national cumulative amounts and rates for all the program benchmarks.

Table 4: State TE/TAP/TASA Program Benchmarks, FYs 1992–2019 (in thousands of dollars)

State	Apportioned	Rescinded	Available	Programmed	Obligated	Reimbursed
Alabama	\$382,124	\$80,484	\$315,595	\$309,306	\$281,441	\$253,135
Alaska	\$209,608	\$26,777	\$164,594	\$162,009	\$157,689	\$154,593
Arizona	\$355,899	\$23,865	\$320,859	\$209,276	\$277,820	\$266,788
Arkansas	\$251,958	\$63,829	\$170,085	\$164,695	\$160,539	\$146,010
California	\$1,683,056	\$288,166	\$1,455,862	\$1,256,730	\$1,291,918	\$1,172,530
Colorado	\$267,050	\$44,148	\$223,947	\$177,512	\$204,120	\$204,086
Connecticut	\$235,439	\$54,192	\$164,783	\$157,610	\$149,227	\$132,671
Delaware	\$87,129	\$2,236	\$89,804	\$80,196	\$86,496	\$81,187
D.C.	\$74,206	\$18,255	\$62,208	\$46,443	\$54,640	\$48,083
Florida	\$1,189,448	\$136,844	\$1,057,868	\$1,018,434	\$995,877	\$920,043
Georgia	\$731,938	\$145,157	\$534,096	\$361,677	\$454,369	\$405,954
Hawaii	\$108,709	\$11,984	\$98,219	\$90,433	\$79,750	\$67,659
Idaho	\$127,847	\$35,309	\$91,119	\$106,489	\$87,447	\$81,336
Illinois	\$688,688	\$79,829	\$612,342	\$715,101	\$520,487	\$475,110
Indiana	\$504,354	\$25,277	\$522,742	\$490,227	\$502,963	\$481,826
Iowa	\$242,467	\$18,007	\$217,238	\$313,946	\$206,362	\$198,102
Kansas	\$241,840	\$13,676	\$244,642	\$233,937	\$227,930	\$211,309
Kentucky	\$304,917	\$30,314	\$271,558	\$245,267	\$259,624	\$214,563
Louisiana	\$274,744	\$73,287	\$188,063	\$270,477	\$167,100	\$154,249
Maine	\$82,568	\$10,158	\$74,234	\$82,917	\$67,774	\$66,574
Maryland	\$278,604	\$19,969	\$232,223	\$281,867	\$200,463	\$183,513
Massachusetts	\$284,462	\$53,092	\$249,092	\$199,998	\$230,040	\$179,387
Michigan	\$598,383	\$101,973	\$549,194	\$522,792	\$524,268	\$483,536
Minnesota	\$363,934	\$30,420	\$347,126	\$397,636	\$335,731	\$328,052

SPENDING ANALYSIS

TASA: In FY 2019, the national reimbursement rate for TASA was 46% of the amount obligated. In comparison, in FY 2018, the reimbursement rate for TASA was 35%. This reflects that TASA is no longer in its starting phase but has matured in comparison to FY 2016 and FY 2017, which were the initial years of TASA.

TE + TAP + TASA: The cumulative (FY 1992 to FY 2019) reimbursement rate nationally was 91% of obligations and 65.7% of apportionments. State reimbursement rates ranged from a low of 78% in Massachusetts and New Jersey to a high of 100% in Colorado.

State	Apportioned	Rescinded	Available	Programmed	Obligated	Reimbursed
Mississippi	\$242,480	\$17,232	\$234,537	\$191,965	\$197,931	\$185,809
Missouri	\$435,284	\$31,038	\$380,312	\$270,369	\$351,113	\$335,795
Montana	\$144,756	\$17,959	\$124,543	\$132,586	\$124,233	\$120,203
Nebraska	\$161,729	\$46,864	\$116,765	\$111,227	\$108,794	\$101,224
Nevada	\$140,319	\$38,347	\$105,997	\$117,588	\$96,993	\$84,267
New Hampshire	\$88,292	\$6,382	\$80,338	\$99,066	\$72,842	\$71,072
New Jersey	\$407,371	\$63,105	\$329,562	\$224,077	\$247,393	\$193,359
New Mexico	\$176,765	\$34,705	\$141,362	\$206,577	\$124,116	\$113,808
New York	\$792,426	\$104,627	\$576,287	\$621,953	\$511,623	\$432,618
North Carolina	\$541,654	\$103,029	\$452,027	\$557,279	\$426,092	\$356,414
North Dakota	\$191,616	\$20,219	\$84,408	\$72,951	\$79,221	\$77,907
Ohio	\$744,474	\$73,256	\$559,320	\$564,609	\$526,482	\$511,552
Oklahoma	\$326,368	\$87,938	\$217,328	\$164,665	\$185,069	\$168,207
Oregon	\$214,396	\$51,261	\$170,697	\$167,936	\$161,542	\$149,187
Pennsylvania	\$592,931	\$44,460	\$606,464	\$554,782	\$513,031	\$479,260
Rhode Island	\$79,620	\$3,154	\$80,910	\$184,822	\$73,471	\$70,648
South Carolina	\$346,784	\$69,818	\$244,045	\$165,865	\$212,811	\$194,730
South Dakota	\$129,617	\$49,966	\$65,983	\$59,259	\$65,703	\$62,465
Tennessee	\$416,273	\$69,669	\$359,473	\$327,825	\$337,696	\$273,240
Texas	\$1,897,248	\$435,588	\$1,076,924	\$1,189,384	\$945,188	\$814,244
Utah	\$140,908	\$13,303	\$126,670	\$109,620	\$117,489	\$113,649
Vermont	\$78,895	\$3,707	\$77,817	\$72,251	\$70,243	\$66,482
Virginia	\$582,591	\$38,094	\$447,878	\$460,041	\$412,271	\$340,773
Washington	\$295,287	\$42,020	\$257,401	\$268,346	\$235,249	\$221,270
West Virginia	\$147,970	\$7,496	\$145,473	\$103,256	\$127,884	\$104,625
Wisconsin	\$534,425	\$163,274	\$261,963	\$242,198	\$209,213	\$194,385
Wyoming	\$87,180	\$1,221	\$89,184	\$72,172	\$81,487	\$79,919
Total	\$19,507,030	\$3,024,981	\$15,671,164	\$16,344,457	\$14,139,257	\$12,827,408

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 and Transportation Alternatives (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, CA allows transportation funding to bypass the messy yearly appropriations debate in Congress over funding levels and for the U.S. 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. Consequently, 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.

Fourteen rescissions affecting TE/TAP/TASA funds have been enacted. Most recently, Congress enacted its first, and only, rescission of FAST Act funds in 2017, which was also the first rescission since 2012. The rescission applied to all CA funds under Chapter 1 of Title 23, United States Code. This chapter contains the Federal-aid Highway Program (FAHP) 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% of a state’s unobligated funds, 10% of the amount to be rescinded to Congress was required to come from TA. In contrast, previous TE rescissions gave states the autonomy to select which programs to rescind unobligated funds from. This practice often led to a greater percentage of rescissions coming from unobligated TE funds than the total of unobligated funds for transportation programs across the board.

A rescission of unobligated funds through FY 2019 was scheduled but ultimately repealed as part of the short-term federal funding bill passed in November 2019. Although the bill was designed for the short term, the repeal carries. No rescissions have occurred since 2017.

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 year funds were apportioned plus three additional fiscal years; many states, including Florida, obligate funding on a two-year cycle in order to maximize funds. Programs are able to “carry over” some unobligated funds every year without having them lapse. The amount that states can carry over is equal to the 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 (STP/STBG) program. STP/STBG is the most versatile funding source, typically used to build roads, bridges and highways—but trails, bike lanes and sidewalks are also eligible. As the program is 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.

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

- TE funds were legally part of the 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 the 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 2019, caused by how TAP was positioned in MAP-21. Table 5 shows TAP funding that has lapsed to date. So far, \$46 million in TAP funds have lapsed from 12 states.

RESCISSIONS, LAPSING AND TRANSFERS

Table 5: Lapsed TAP Funds, FYs 2016–2019

State	FY 2013 Funds Lapsed at end of FY 2016	FY 2014 Funds Lapsed at end of FY 2017	FY 2015 Funds Lapsed at end of FY 2018	FY 2015 Funds Lapsed at end of FY 2019	Total
Alaska	\$2,682,062				\$2,682,062
Arizona			\$1,830,409	\$7,332,602	\$9,163,011
Georgia		\$4,356,459			\$4,356,459
Hawaii	\$39,598			\$1,412,795	\$1,452,393
Maryland		\$2,498,575			\$2,498,575
New Hampshire	\$1,725,424	\$1,252,684	\$1,595,652	\$2,378,488	\$6,952,247
New Jersey		\$6,247,239			\$6,247,239
North Carolina		\$4,067,845			\$4,067,845
North Dakota	\$326,952			\$115,319	\$442,271
South Carolina				\$2,585,268	\$2,585,268
Wisconsin			\$2,747,270	\$4,729,783	\$7,477,053
Wyoming				\$854,383	\$854,383
Total	\$4,774,036	\$18,422,802	\$3,426,061	\$19,408,638	\$46,031,537

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 FS, 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 (FAHP) and used for non-TE/TAP/TASA eligibilities. For example, a transfer of funds to the National Highway Performance Program (NHPP) 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 both 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 the Transportation Equity Act for the 21st Century (TEA-21) for FY 1999. States could make inter-program transfers of up to 25% 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 2019, Maryland, New Jersey and Vermont used the inter-agency transferability provision to transfer \$1.8 million to FTA (Table 6), where the funds can be used on other projects.

Under the FAST Act and MAP-21, states are allowed to make an inter-program transfer, moving up to 50% of their TA funds to other FAHPs, 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 2019, a cumulative \$24 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 (FWS) and National Park Service (NPS) for TE/TAP/TASA-eligible activities. Table 6 indicates the breakout by state and agency. In comparison, FY 2018 saw \$46 million in inter-agency transfers.

Inter-Program: A cumulative \$85 million in inter-program transfers was made in FY 2019 to the STBG program and \$107 million to the National Highway Performance Program (NHPP). At \$192 million, or 91%, the majority of transfers were made from TASA funds. Just \$18.6 million, or about 9%, of transfers were made from TAP funds. No inter-program transfers were made from TE funds.

TE: Since 1999 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), the Recreational Trails Program (RTP), the Interstate Maintenance (IM) program, the Highway Bridge Replacement and Rehabilitation Program, and the Congestion Mitigation and Air Quality Improvement (CMAQ) program. However, no states have made inter-program TE transfers in the last three fiscal years.

TAP: As shown in Table 6, \$18.6 million was transferred from TAP in 2019, which is more than double the \$8.5 million in transfers made in 2018. This is likely a result of states transferring funds out of TAP to avoid losing funding through the rescission previously scheduled for July 2020.

RESCISSIONS, LAPSING AND TRANSFERS

Table 6: Inter-Agency and Inter-Program Transfers of TE/TAP/TASA, FY 2019 (in thousands of dollars)

State	Inter-Agency Transfers FY 2019				Inter-Program Transfers FY 2019				Total		
	TE	TAP	TASA		TAP	TASA					
Alabama						\$3,900,000	HSIP	\$3,900,000			
Alaska						\$3,419,661	STP	\$3,419,661			
Arizona						\$7,890,154	STP	\$7,890,154			
Arkansas			\$5,216,544	FLH	\$5,216,544	\$18,643,650	HSIP	\$4,946,834	HSIP	\$23,590,484	
California											
Colorado											
Connecticut						\$4,506,802	STP	\$4,506,802			
Delaware											
District of Columbia											
Florida											
Georgia			\$2,993,600	FTA	\$2,993,600						
Hawaii		\$153,902	FW	\$1,289,989	FTA	\$1,443,891		\$712,795	STP	\$712,795	
Idaho											
Illinois											
Indiana											
Iowa						\$4,598,000	STP	\$4,598,000			
Kansas			\$49,522	FTA	\$49,522						
Kentucky		\$(157,372)	FTA			\$(157,372)		\$4,506,378	STP	\$4,506,378	
Louisiana						\$2,712,733	STP	\$2,712,733			
Maine											
Maryland	\$524,401	FTA	\$1,781,613	FTA	\$5,878,061	NPS/ FTA		\$8,184,075	\$6,227,682	STP	\$6,227,682
Massachusetts											
Michigan			\$495,380		\$495,380						
Minnesota			\$240,040	BIA	\$240,040			\$3,723,231	STP	\$3,723,231	
Mississippi											
Missouri						\$9,318,126	STP	\$9,318,126			
Montana						\$6,698,423	HSIP	\$6,698,423			
Nebraska		\$41,747	FTA	\$983,253	FTA	\$1,025,000		\$2,900,268	STP	\$2,900,268	
Nevada						\$3,594,447	NHPP	\$3,594,447			
New Hampshire						\$1,346,698	STP	\$1,346,698			
New Jersey	\$1,000,000	FTA				\$1,000,000					

TASA: In FY 2019, \$192 million was transferred by 24 states to the STBG/Highway Safety Improvement Program, which accounts for 25% of the 2019 apportionment. This is similar to FY 2018 where \$188 million was transferred by 22 states, accounting for 24% of the 2018 apportionment.

TE + TAP + TASA: The total transfers between FY 1992 and FY 2019 equate to \$1.5 billion. The \$211 million in inter-program transfers during FY 2019 is an increase of \$14 million as compared to FY 2018, when states transferred \$197 million.

RESCISSIONS, LAPSING AND TRANSFERS

State	Inter-Agency Transfers FY 2019				Inter-Program Transfers FY 2019			
	TE	TAP	TASA	Total	TAP	TASA	Total	
New Mexico			\$768,960	FTA	\$768,960			
New York						\$39,493,825	NHPP	
North Carolina						\$7,000,000	STP	
North Dakota						\$1,659,884	STP	
Ohio								
Oklahoma						\$6,510,146	STP	
Oregon		\$143,288	FTA	\$143,288				
Pennsylvania								
Rhode Island								
South Carolina						\$7,578,582	STP	
South Dakota			\$216,783	BIA	\$216,783	\$2,191,872	HSIP	
Tennessee			\$112,337	FTA	\$112,337	\$14,063,092	STP	
Texas						\$38,911,748	STP	
Utah			\$1,466,816	FTA	\$1,466,816	\$2,593,756	STP	
Vermont	\$300,000	FTA		\$300,000				
Virginia			\$1,200,000	FLH	\$1,200,000	\$9,389,147	HSIP	
Washington			\$133,315	FTA/ FLH	\$133,315			
West Virginia								
Wisconsin						\$4,370,849	STP	
Wyoming								
Total								
BIA			\$456,823					
FLH			\$6,416,544					
FTA	\$1,824,401	\$1,809,276	\$5,556,006					
NPS								
HSIP					\$18,643,650			
NHPP						\$43,088,272		
STP						\$134,550,585		
Totals			\$21,044,601		\$24,832,179		\$222,062,085	

Metropolitan Planning Organization Uses of TASA Funds

A new provision included in the FAST Act allows up to half of the funds allocated by population to areas with more than 200,000 people to be used for STBG program-eligible projects. In other words, half of funds to large metropolitan areas could be spent on roads, highways, bridges or any other STBG program eligibility, including trails, walking, biking, streetscaping, etc. This provision is not considered a transfer by FHWA. However, the provision does allow these funds to be used to fund non-TA-eligible projects covered by STBG, much like inter-program transfers.

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.⁶ The Transportation Alternatives Data Exchange (TRADE) project database now spans 28 fiscal years of Transportation Enhancements (TE), Transportation Alternatives Program (TAP) and Transportation Alternatives Set-Aside (TASA) programming. Table 4 indicates that the cumulative level of programming for fiscal year (FY) 1992 through FY 2019 is \$16.34 billion, representing 84% of all apportionments.

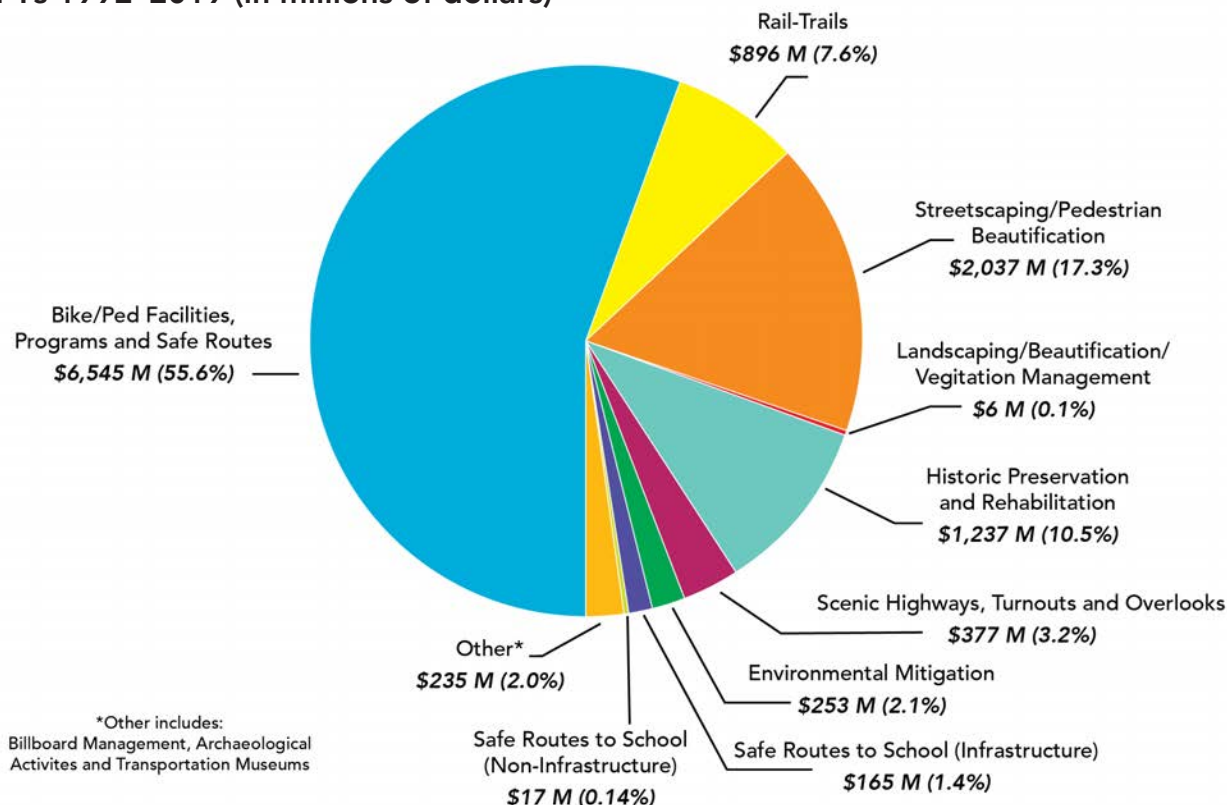
Future Programming: The programming data also show that 20 states have selected projects for future fiscal years. The database now has 476 future-programmed projects worth \$321 million in federal funding. The future programming data suggest that there are projects in the design and development stages 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 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 8 illustrates the distribution of funding by eligibility through FY 2019.

Figure 8: Distribution of Federal Funding by TE/TAP/TASA Eligibility Grouping, FYs 1992–2019 (in millions of dollars)



To see Figure 8 for an individual state, please visit trade.railstotrails.org/stateprofile.

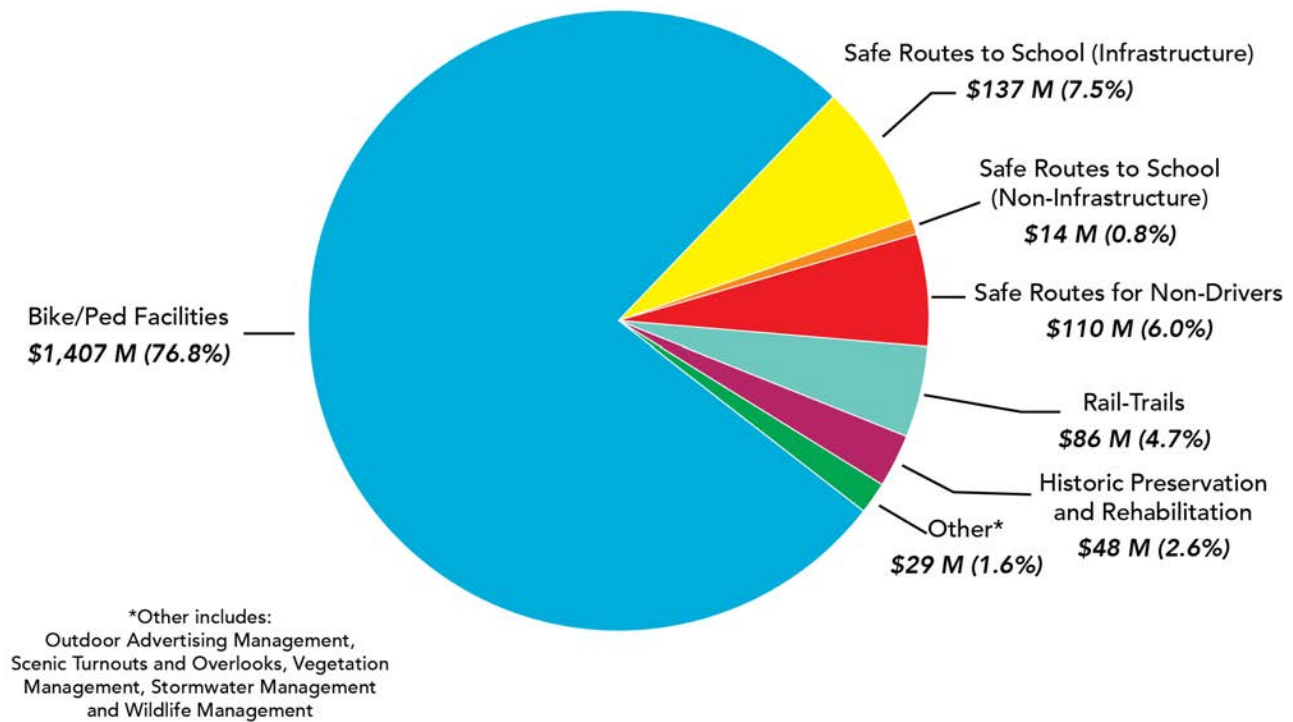
PROGRAM ANALYSIS

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 55.6%. Beautification continues to be the second-largest category of spending at 17.3%. Historic preservation and rehabilitation of transportation structures is the third-largest eligibility category, with 10.5% of programmed funding. Rail-trails account for 7.6% of funding, followed by scenic highways, turnouts and overlooks with 3.2% of all programmed funding.

The remaining categories, including environmental management, billboard management, archaeology and transportation museums, and safe routes to school have received only very small shares of the total combined TE, TAP and TASA funding from FY 1992 through FY 2019.

Figure 9 illustrates the distribution of funding across all 10 TASA eligibilities during FY 2014 to FY 2019. Similar to last year's report, pedestrian and bicycle facilities continues to dominate the distribution, with 76.8% of funding. Percentages for most categories shifted only slightly. Safe routes for non-drivers decreased (from \$158 million to \$110 million) and rail-trails increased from last year (from \$71 million to \$86 million). Pedestrian and bicycle facilities funding decreased from \$2.1 billion to \$1.4 billion, and safe routes to school infrastructure funding increased from \$120 million to \$137 million.

Figure 9: Distribution of Federal Funding by TA Activity, FYs 2014–2019 (in millions of dollars)

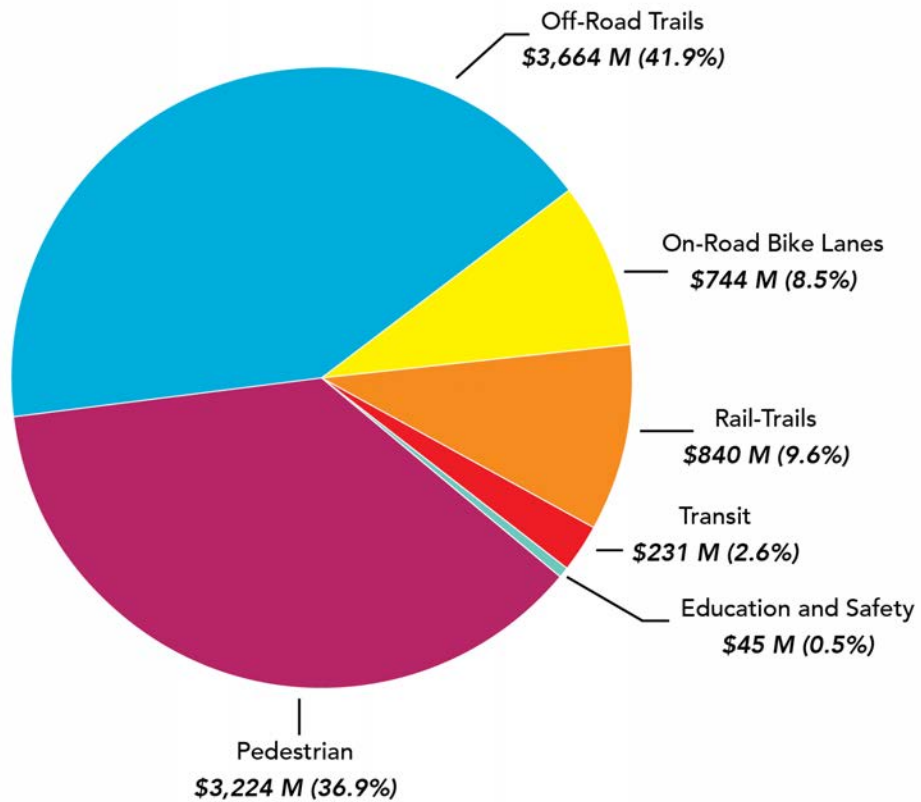


Bicycle and Pedestrian Project Subtypes

Because 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 10 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. Off-road trails and pedestrian facilities received the highest and second-highest shares of programmed funding across these categories, at 41.9% and 36.9% respectively. Rail-trails (9.6%) and on-road bicycle facilities (8.5%) comprised the third- and fourth-largest shares.

Figure 10: Distribution of Funding Across Projects With Designated Bike and Pedestrian Subtypes, FYs 1992–2019 (in millions of dollars)



Future Programming

Twenty states programmed 476 projects for future years (FY 2019 to FY 2022), though these are subject to change. The total federal dollar amount for these projects is \$321 million. Bicycle and pedestrian projects and safe routes for non-drivers projects together account for 85%—or a large majority—of future programmed projects. The next-largest categories are safe routes to school infrastructure and non-infrastructure, accounting for 10% of the total. Recreational trails and rail-trails account for 1.5% each, with the remaining 2% to be spent on historic preservation and vegetation management.

While data on future programming provide an interesting glimpse into future projects that are slated for funding, they are not an accurate indicator of future trends as most states did not report future programming of TASA funds.

Average Federal Awards and Match Rates

Project-level data provide important insight into typical TE/TAP/TASA projects across the country. Table 7 shows that as of FY 2019, the average federal project award was \$421,319 nationwide—ranging from \$145,791 in Montana to \$1,622,317 in Hawaii.

The Federal-aid Highway Program (FAHP) requires that federal funds be matched with monies from another source. These funds are often referred to as the non-federal share of project costs, or non-federal match. The federal government can reimburse up to 80% of the eligible costs of an FAHP project, including TE/TAP/TASA projects. At a minimum, 20% of the funding must come from non-federal sources including state or local dollars. Recreational Trails Program (RTP) funds are an exception; other federal dollars can be used to provide the match on RTP projects, and RTP dollars can be used to provide part of the match on trails projects funded from other federal sources.

Cumulatively, the average national match rate was 27%. As in previous years, this rate surpassed the federal share required under Section 120 of Title 23, United States Code. Table 7 shows that 38 states had a match rate higher than 20%, and 17 of these states had a rate higher than the national average, with Maryland having the highest average match rate at

54.3%. 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% match rate, but this is no longer the case. Both the FAST Act and MAP-21 have required every project 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% in Nevada) based on the proportion of federal lands within the state. States eligible for the sliding scale include Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington and Wyoming.⁷

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.

Table 7: Cumulative Programmed Federal Awards and Matching Funds, FYs 1992–2019
(in thousands of dollars)

State	Project Count	Total - Federal Awards	Average - Federal Award	Matching Funds	Match Rate
Alabama	1,394	\$351,822,587	\$252,383	\$86,056,617	19.65%
Alaska	482	\$168,008,572	\$348,566	\$21,424,349	11.31%
Arizona	567	\$243,139,918	\$428,818	\$66,071,050	21.37%
Arkansas	811	\$178,736,336	\$220,390	\$85,659,378	32.40%
California	1,917	\$1,267,635,331	\$661,260	\$761,980,818	37.54%
Colorado	731	\$184,913,399	\$252,960	\$81,684,517	30.64%
Connecticut	271	\$198,157,768	\$731,209	\$50,723,055	20.38%
Delaware	280	\$84,779,036	\$302,782	\$45,991,216	35.17%
District of Columbia	135	\$48,089,808	\$356,221	\$11,183,175	18.87%
Florida	3,538	\$1,072,499,874	\$303,137	\$68,405,231	6.00%
Georgia	888	\$385,682,717	\$434,327	\$101,616,314	20.85%
Hawaii	58	\$94,094,397	\$1,622,317	\$29,562,268	23.91%
Idaho	214	\$110,177,459	\$514,848	\$16,778,821	13.22%
Illinois	962	\$737,535,117	\$766,669	\$215,677,869	22.63%
Indiana	774	\$498,046,576	\$643,471	\$176,561,333	26.17%
Iowa	1,306	\$389,863,914	\$298,518	\$262,467,509	40.24%
Kansas	584	\$258,816,277	\$443,179	\$116,136,786	30.97%
Kentucky	940	\$247,110,212	\$262,883	\$72,607,506	22.71%
Louisiana	602	\$271,296,544	\$450,659	\$60,212,907	18.16%
Maine	409	\$97,268,565	\$237,820	\$29,817,123	23.46%
Maryland	418	\$323,853,989	\$774,770	\$385,599,380	54.35%
Massachusetts	406	\$222,273,292	\$547,471	\$68,373,192	23.52%
Michigan	2,019	\$673,935,764	\$333,797	\$321,482,565	32.30%
Minnesota	1030	\$464,965,531	\$451,423	\$305,585,793	39.66%
Mississippi	483	\$205,176,518	\$424,796	\$42,193,251	17.06%
Missouri	1113	\$293,541,510	\$263,739	\$124,349,842	29.76%
Montana	912	\$132,960,938	\$145,791	\$35,476,390	21.06%
Nebraska	649	\$119,161,683	\$183,608	\$62,375,890	34.36%
Nevada	270	\$135,190,473	\$500,705	\$46,231,892	25.48%
New Hampshire	276	\$100,792,720	\$365,191	\$32,280,557	24.26%
New Jersey	500	\$243,707,990	\$487,416	\$80,938,352	24.93%
New Mexico	647	\$209,492,817	\$323,791	\$66,152,472	24.00%
New York	756	\$659,994,081	\$873,008	\$399,320,363	37.70%
North Carolina	1,351	\$648,409,396	\$479,948	\$156,910,570	19.48%
North Dakota	385	\$81,038,136	\$210,489	\$30,217,047	27.16%
Ohio	1,228	\$684,707,117	\$557,579	\$199,614,351	22.57%
Oklahoma	434	\$164,664,652	\$379,412	\$40,717,259	19.83%
Oregon	303	\$178,927,164	\$590,519	\$68,146,846	27.58%
Pennsylvania	1,118	\$559,568,114	\$500,508	\$113,841,911	16.91%
Rhode Island	314	\$229,509,548	\$730,922	\$52,972,314	18.75%
South Carolina	850	\$172,585,951	\$203,042	\$77,823,967	31.08%
South Dakota	273	\$65,712,649	\$240,706	\$29,020,597	30.63%
Tennessee	844	\$382,327,148	\$452,994	\$91,083,629	19.24%
Texas	951	\$1,268,272,802	\$1,333,620	\$336,261,174	20.96%
Utah	271	\$113,736,588	\$419,692	\$29,878,724	20.80%
Vermont	465	\$76,112,548	\$163,683	\$23,868,577	23.87%
Virginia	1027	\$462,043,164	\$449,896	\$390,188,342	45.78%
Washington	1,079	\$306,814,276	\$284,351	\$173,403,061	36.11%
West Virginia	647	\$107,842,132	\$166,680	\$28,495,591	20.90%
Wisconsin	808	\$245,709,253	\$304,096	\$68,854,283	21.89%
Wyoming	465	\$76,050,983	\$163,551	\$17,677,774	18.86%
Total	39,155	\$16,496,753,334	\$421,319	\$6,259,953,797	27.51%

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% 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. On a project level, nearly 70% of all projects since 1992 have had a match rate of greater than 20.5%.

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 14 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, 11 states have programming totals that are higher than their available balances—the amount available before obligations were made during FY 2018. 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.

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 that are divesting from the program through inactivity, lapsing or 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, enhance quality of life and protect the environment, but there is still room to improve.

Obligations

In FY 2019, the combined obligation rate for TE, TAP and TASA was 103.7%, a significant increase from 78% in FY 2018. An increase in obligations may be due to the accumulation of unobligated balances, combined with pressure to obligate funds to avoid rescissions and lapsing. A total of \$795 million was obligated in 2019 compared to \$600 million in 2018, a significant increase. Although in 2018 the obligation rate was lower, it went back up again in 2019.

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 higher rescission. A buildup of unobligated funds does not cause a rescission, but it does mean that there are more funds to be swept away. However, the repeal of the Fixing America's Surface Transportation (FAST) Act's rescission provides states an opportunity to more diligently obligate funds to ensure they are used for the intended purpose.

In the past three years, 12 states have lapsed \$46 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 \$46 million in TAP funding that has lapsed reflects either neglect or ignorance on the part of state departments of transportation (DOTs).

The FAST Act continued the Moving Ahead for Progress in the 21st Century Act's (MAP-21's) allowance for the transfer of up to half of all TAP funds apportioned out of the program. Under these two bills, the number of inter-program transfers has risen significantly, and most states are taking advantage of these policy changes to disinvest from the program. 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 and reflects the prioritization of roadway projects over walking and biking infrastructure, which have stronger returns on investment.

In 2019, \$222 million was transferred as part of the inter-program transfers, while only \$24 million was due to inter-agency transfers.

Taken together, rescissions, lapsing and inter-program transfers represent a collective “leaky bucket,” providing holes through which TE/TAP/TASA funds can be lost or used for non-eligible projects (e.g., building highways). In FY 2019, \$19 million in lapsing funds and \$222 million in inter-program transfers represent a cumulative \$241 million lost from the TA program. This accounts for about 30% of the total apportioned in 2019.

Reflecting on 28 Years

Over the last 28 years, a sizable portion of funding for walking, biking, and other transportation enhancements and alternatives has been “lost” through transfers and states allowing funds to lapse. The vast majority of this has occurred in the last seven years due to a broadened transferability policy that began under MAP-21 and continues under the current spending bill.

Overall, while the number of lapses and transfers in the “leaky bucket” are slightly lower than in previous years, the number of projects funded and amount of funding obligated continue to grow slowly. The threat of rescissions scheduled for FY 2020 may have motivated states to increase the rate of obligations and transfers this year, but in order to maintain funding and to continue prioritizing active transportation improvements, states will need to continue obligating funds at increased levels.

Fiscal year 2019 represents the 28th year of funding apportioned to the TE/TAP/TASA program. In that time, the program has obligated more than \$13.3 billion for close to 34,000 projects across the country to create more infrastructure for walking and biking, preserve historic transportation assets, protect environmental assets and more. Communities are seeing changes that reflect the transformative power of these investments: safer streets for all users, more protected bicycle lanes, the development of more multiuse pathways and trails, opportunities for streetscaping that invites foot traffic and lively main streets.

Looking Ahead

The last decade of funding and trends provides particularly useful information as we look to improve the state of “transportation alternatives” in FY 2020 and the years ahead.

As the United States continues to recover from the effects of the global coronavirus pandemic that struck in 2020, investment in walking and biking has strong, proven returns, creating more jobs and improving access to both recreation and active transportation opportunities. The American Recovery and Reinvestment Act of 2009 (ARRA) provided stimulus funds for infrastructure investment during the Great Recession. This funding, stacked on top of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) funding available at the time, resulted in a sharp increase in available funds for the two years available, as shown in Figure 7. While understanding how ARRA funding was utilized to build transportation alternative infrastructure, the bill was not focused on creating a pipeline of strategic projects. This reduced the efficiency of the additional funding and has shone light on the importance of connected walking and biking networks.

The FAST Act is currently set to sunset at the end of FY 2020. Like those before it, this bill has increased access to safe transportation alternatives across the country. It is possible that the FAST Act will be either extended or renewed, but increased funding in walking and biking is needed to ensure that the transportation and environmental goals are met.

NOTES

¹Torsha Bhattacharya, Ph.D.; Kevin Mills, J.D.; and Tiffany Mulally, Ph.D., *Active Transportation Transforms America: The Case for Increased Public Investment in Walking and Biking Connectivity* (Washington, D.C.: Rails-to-Trails Conservancy, 2019).

²A state may opt out of the Recreational Trails Program (RTP) set-aside prior to receiving funding for each fiscal year before state apportionments are made.

³The planning, designing or construction of boulevards in the right-of-way of former Interstate System routes or other divided highways is also eligible; photos courtesy of Transportation Alternatives Data Exchange (TrADE).

⁴A list of state department of transportation (DOT) Transportation Alternatives Coordinators can be viewed at http://www.fhwa.dot.gov/environment/transportation_alternatives/state_contacts.cfm.

⁵"Funding Federal-aid Highways," U.S. Department of Transportation Federal Highway Administration Office of Policy and Governmental Affairs, published January 2017, <https://www.fhwa.dot.gov/policy/olsp/fundingfederalaid/02.cfm>.

⁶Project lists from individual states can be found in the Statewide Transportation Improvement Plans (STIP) published by each state to provide the public with information on capital expenditures related to transportation.

⁷"Sliding Scale Rates of Federal-aid Participation in Public Lands States—Rates for Projects Not on Interstate System," U.S. Department of Transportation Federal Highway Administration, published March 1992, <https://www.fhwa.dot.gov/legsregs/directives/notices/n4540-12a1.cfm>.



rails-to-trails
conservancy

railstotrails.org

   @railstotrails