



**Transportation Alternatives
Spending Report
Fiscal Years 1992–2020**

June 2021

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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 make effective use of 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

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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.

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EXECUTIVE SUMMARY



Example of TA-eligible pedestrian and bicycle facilities

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. In part due to this dedicated funding, the United States now boasts more than 40,000 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 2020 report found that 95% of the TASA funds obligated to projects in the last seven 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.

- Approximately 20% of the total fiscal year (FY) 2020 TA apportionment, or \$152 million, was lost through transfers, largely to the Surface Transportation Program/Surface Transportation Block Grant program (STP/STBG) and the Highway Safety Improvement Program (HSIP), a trend that began under the Moving Ahead for Progress in the 21st Century Act (MAP-21) and continues under the Fixing America's Surface Transportation (FAST) Act.
- Obligation rates dipped to 71% of apportioned funds or \$546 million from \$795 million the prior year as states were no longer under threat of having funds rescinded.
- Approximately 80% of TE/TA/TASA funds were reimbursed.

Legislative Loopholes Contribute to Funding Losses

Transportation Enhancements, the predecessor to Transportation Alternatives, became the first dedicated source of funding for walking and biking, but cuts and increased flexibility in successive programs have put this vital source of funding at risk.

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 a critical development for trails, walking and biking; prior to the legislation, little federal investment 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.

Two decades after ISTEA was introduced, MAP-21 was signed into law with legislative language that increased the amount of funds that states were able to transfer to uses outside of the scope of Transportation Enhancements, now renamed Transportation Alternatives. This detrimental development was further solidified by the most recent FAST Act legislation. These two bills contained policy changes that allow states to transfer up to 50% of their TA funding available for use across the state to other Federal-aid Highway Program (FAHP) projects—doubling the percentage of transfers allowed under the preceding bills.

Since MAP-21 was implemented, states have transferred a cumulative \$1.5 billion, or about one-third of the apportioned funds, out of TA via inter-program transfers in just seven years. Comparatively, only \$192 million was transferred over the previous two decades (FY 1992–FY 2012). The bulk of this funding was transferred to the STP/STBG program and the HSIP to support on-road construction of roads, bridges and highways.

With states no longer under immediate threat of losing Department of Transportation funds to rescissions, FY 2020 also saw a significant decrease in the obligation rate of TA funds, from 103% in the prior fiscal year to 71%. While the rescission was ultimately repealed in 2019, states must continue to obligate funds at a higher rate to ensure TA Set-Aside funds are used to support the increased demand for safe places to walk and bike.

TA represents the single largest federal investment in trails, walking and biking and is among the smallest line items in surface transportation spending. The continued siphoning of funds away from the program in the face of unprecedented demand for trails, walking and biking, paired with a reduced overall TA authorization, and when compared to TE levels under SAFETEA-LU, has resulted in funding losses that can be debilitating to states' and communities' active transportation plans. This funding loss could encourage states to deprioritize the program, leaving unspent money on the table and discouraging additional federal funding.

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’s) Federal-aid Highway Program (FAHP). 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, the Transportation Equity Act for the 21st Century (TEA-21) in 1998 and the Safe, Accountable, Flexible, Efficient Transportation Equity Act (SAFETEA-LU) in 2005, 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 currently in a one-year extension through FY 2021, following the bill’s original expiration at the end of September 2020.

This report documents and examines funding through Sept. 30, 2020, the conclusion of FY 2020. 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 nearly 30 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. This report and technical assistance provided by TrADE serve as tools for TA program managers, advocates and policymakers to support and promote the efficient use of these funds for trails, walking and biking, while increasing understanding of how federal funding shapes America’s transportation system and its communities.

Common Acronyms Used in This Report

ARRA: American Recovery and Reinvestment Act

DOT: Department of Transportation

FAST Act: Fixing America’s Surface Transportation Act of 2015

FHWA: Federal Highway Administration

FMIS: Financial Management Information System

FY: Fiscal Year

ISTEA: Intermodal Surface Transportation Efficiency Act of 1991

MAP-21: Moving Ahead for Progress in the 21st Century Act of 2012

MPO: Metropolitan Planning Organization

RTP: Recreational Trails Program

SAFETEA-LU: Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users of 2005

SRTS: Safe Routes to School

STBG: Surface Transportation Block Grant

STP: Surface Transportation Program

TA: Transportation Alternatives

TAP: Transportation Alternatives Program

TASA: Transportation Alternatives Set-Aside

TE: Transportation Enhancements

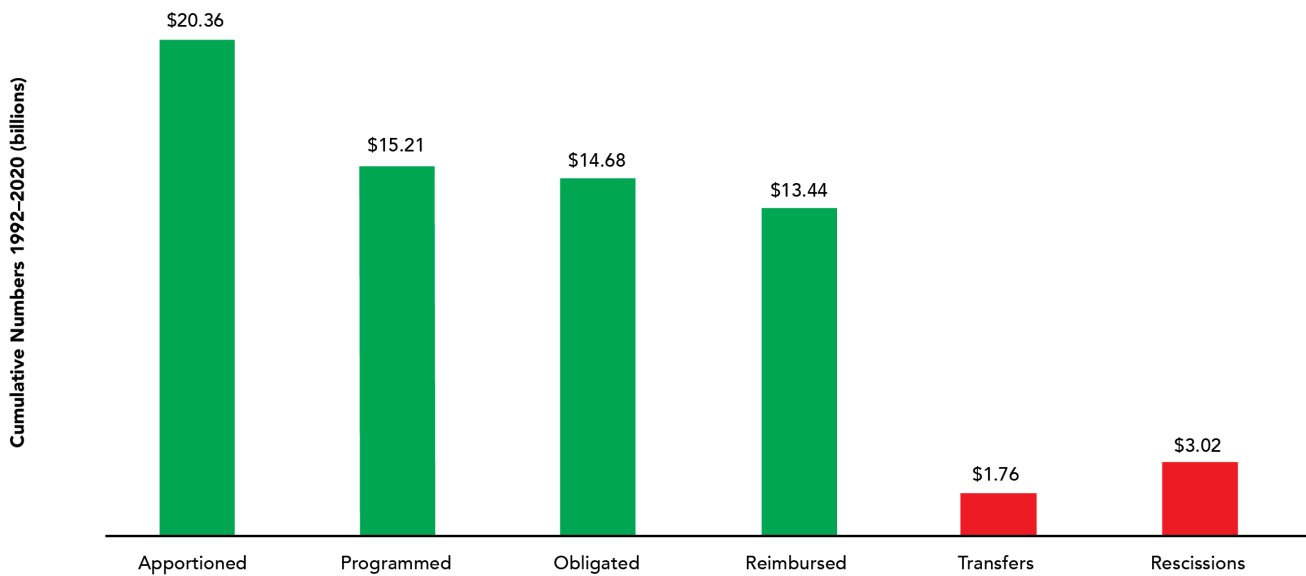
USDOT: U.S. Department of Transportation

Spending Analysis

From 1992 through 2020, Congress apportioned \$20.36 billion to the states for TE, TAP and TASA projects as shown in Figure 1. During that time, approximately \$1.7 billion was lost to transfers and another \$3.02 billion was lost to rescissions. The TRADE national project database shows that state departments of transportation (DOTs) have programmed a cumulative total of 40,045 TE/TAP/TASA projects from FY 1992 through FY 2020. (This does not include canceled projects or projects with no federal money.) A financial summary for FY 2020 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 2020) is 72%. The cumulative reimbursement rate for TE/TAP/TASA (FY 1992 to FY 2020) is 66%.

Figure 1: Cumulative TE/TAP/TASA Financial Summary, FYs 1992–2020

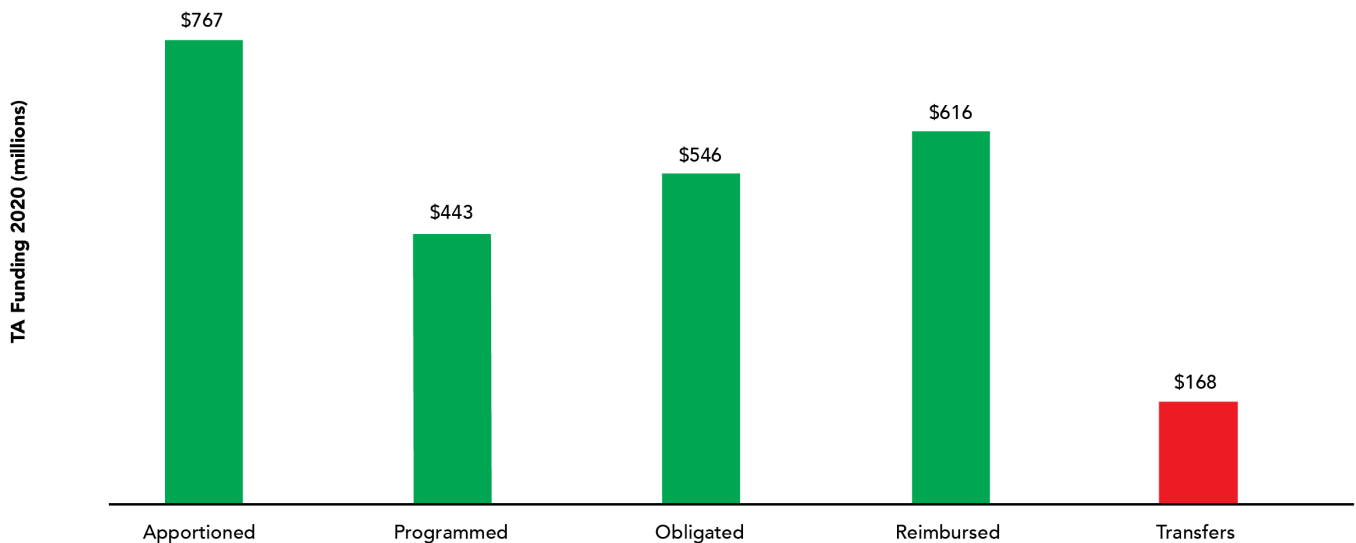


Lessons From FY 2020

The FAST Act, in its fifth 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. Few TE funds from bills prior to the introduction of MAP-21 in 2013 were provided for obligations and reimbursements as they continue to be phased out.

At the same time, in FY 2020, states transferred \$152 million in TAP/TASA funds to the Surface Transportation Program/Surface Transportation Block Grant program (STP/STBG) and the Highway Safety Improvement Program (HSIP) (see Table 6 for more details)—which was about 20% of all funds apportioned. This is compared to \$192 million transferred out of the TE in the first two decades of the program. With the FAST Act expiring at the end of FY 2021, policymakers could ensure future programs streamline TA funding and fulfill the promise of ISTEA.

Figure 2: TE/TAP/TASA Financial Summary, FY 2020



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). The FAST Act was the first long-term funding bill in more than a decade, covering fiscal years (FYs) 2016–2021 as a five-year bill with a one-year extension currently in effect. 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 additional extension was authorized at \$850 million.

The FAST Act is currently set to sunset in September 2021.

FAST Act Preserves Core Funding for Transportation Alternatives

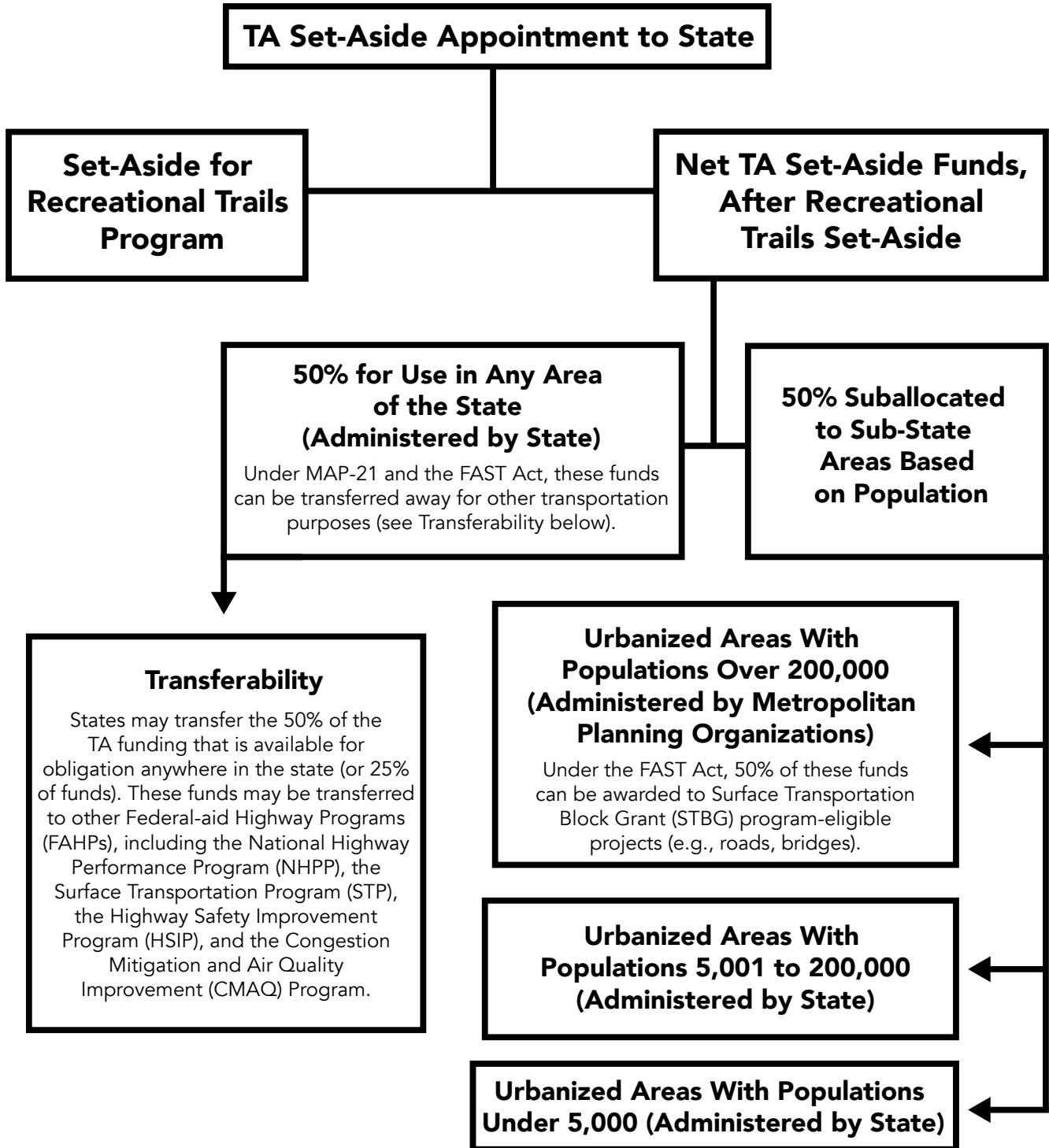
Under the FAST Act, TASA includes all projects and activities that were previously eligible for funding under TAP. The move to Transportation Alternatives (TA) through MAP-21 consolidated several long-standing programs, including RTP as a set-aside, Safe Routes to School (SRTS) and Transportation Enhancements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

The FAST Act also preserved the way funding is distributed within states, as shown in Figure 3, 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. No more than 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. Western states with a high proportion of federal public lands may have adjusted match rates.

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



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.). 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:

- 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.
- FHWA only collects information required under the FAST Act, beginning with funds apportioned for FY 2016.

The primary function of FHWA's data collection and reporting is to understand the overall demand for TA 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 TA 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

For more information visit railstotrails.org/policy/trade/basics

UPDATING THE TRADE DATABASE

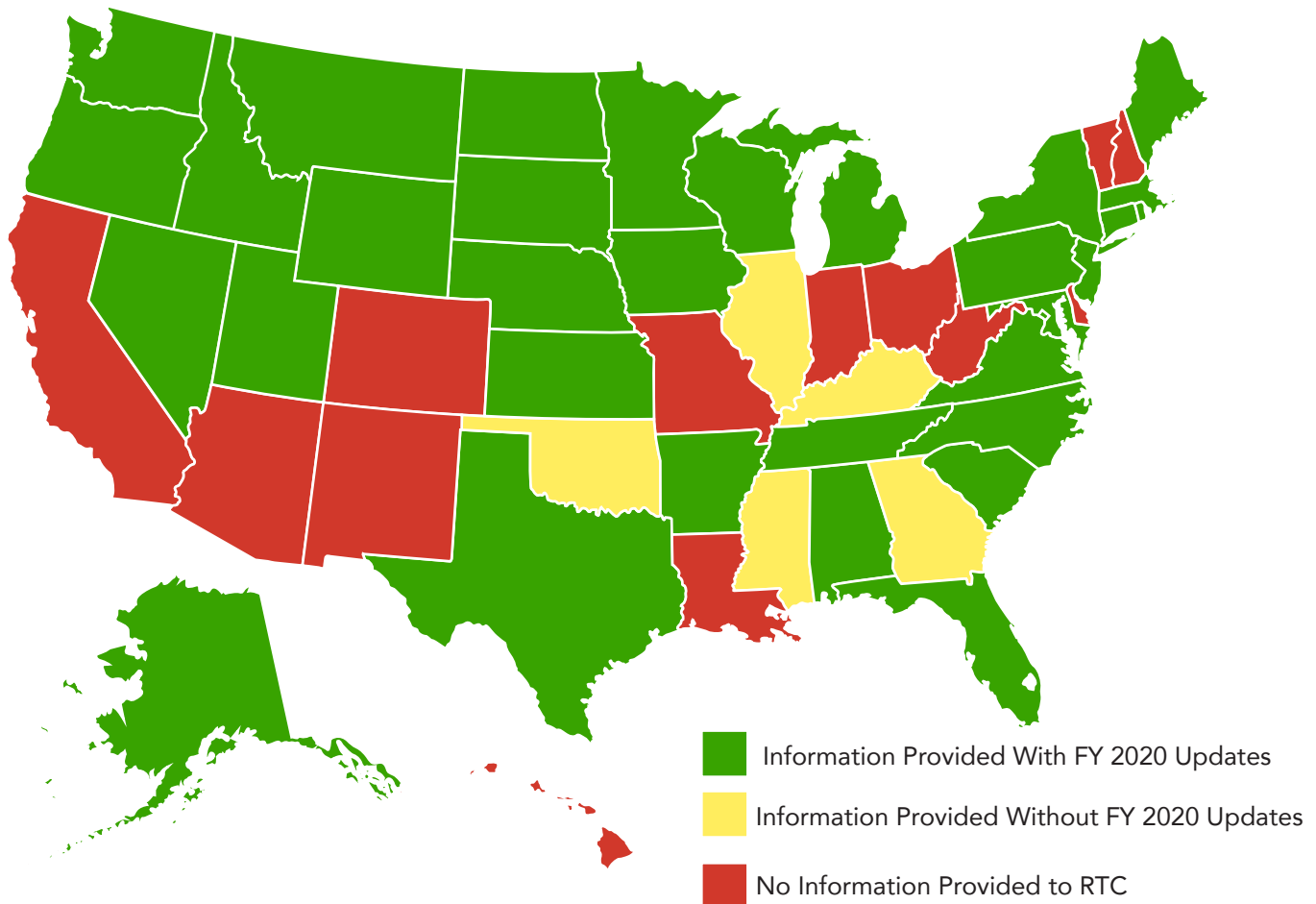
This report uses data collected and maintained by the Transportation Alternatives Data Exchange (TrADE) at Rails-to-Trails Conservancy (RTC), previously the National Transportation Enhancements Clearinghouse (NTEC). Beginning in 1993, RTC developed a database of funded Transportation Enhancement (TE) 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 January and March 2021.

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 40,045 projects selected from FY 1992 to FY 2020. The database also contains 392 programmed projects for future fiscal years (FYs) (FY 2021 to FY 2027). Combined, the list contains a total of 40,437 projects. However, charts and tables in this report do not include future-year projects or projects that were not reported by state DOTs to TrADE. The national TE/TAP/TASA project list can be viewed online at railstotrails.org/policy/trade/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, 37 states and the District of Columbia provided updated programming information as shown in Figure 4.⁴

Figure 4: State Data Collection Provided to TrADE, FY 2020



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 2020. 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:

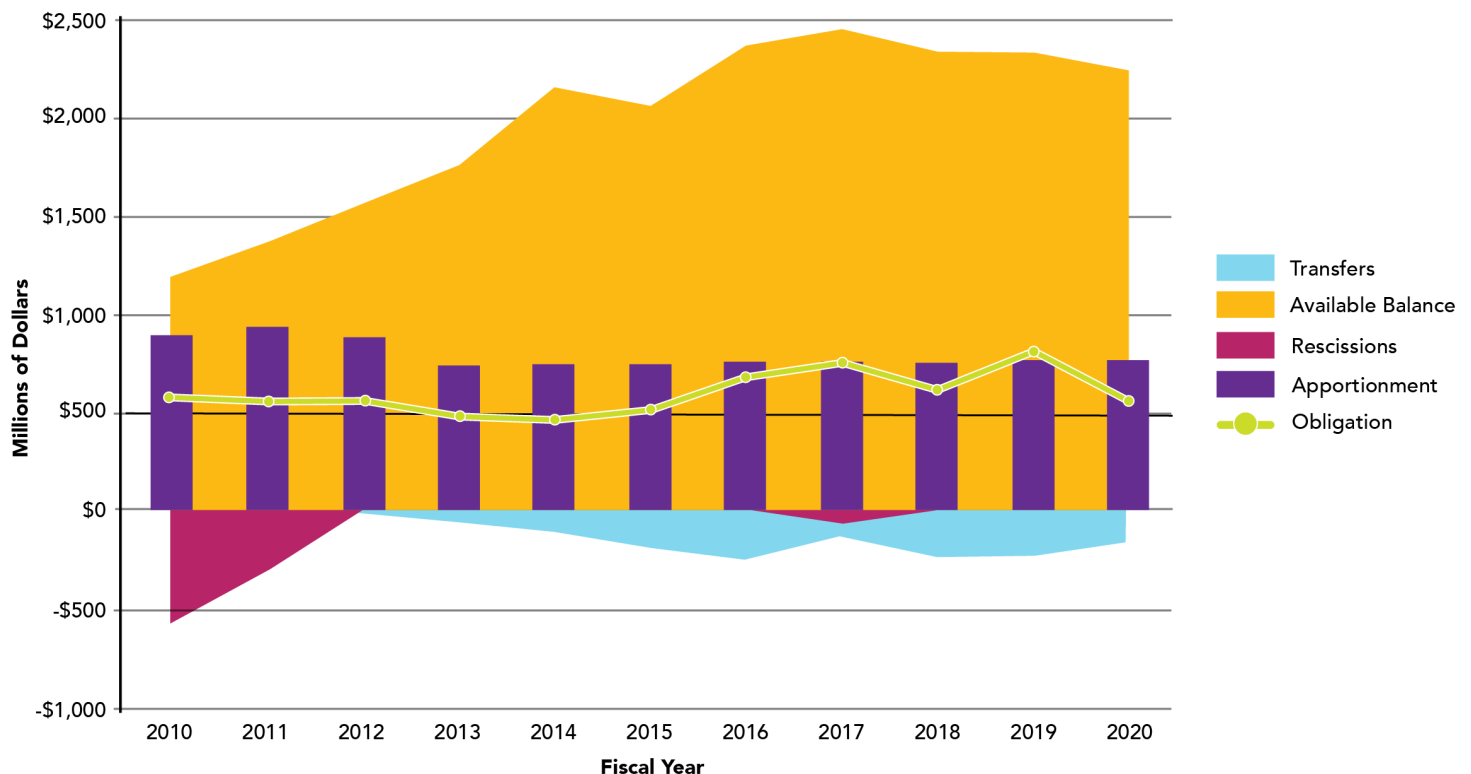
- **Apportionment:** FHWA apportions funds to each state, as determined by a formula in the federal legislation (e.g., the Fixing America’s Surface Transportation [FAST] Act). With TASA, 50% is suballocated to areas within the state based on population.
- **Programming:** State departments of transportation (DOTs) and metropolitan planning organizations (MPOs) select projects to receive funding. MPOs are able to program projects only in metropolitan areas with populations of 200,000 people or more.

- **Obligation:** FHWA commits to reimburse states for the federal share of the project cost (typically up to 80%).
- **Reimbursement:** FHWA reimburses states for work completed.

Funding amounts available may be reduced through rescissions, lapsing and transfers. Through federal legislation, a rescission cancels a specified amount of unobligated 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 Lapsing applies to MAP-21-era funds, and these funds can ‘disappear’ as though they never existed.

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 2010 through FY 2020).

Figure 5: Available Balance, Apportionment, Obligation, Transfers and Rescissions by Year, FYs 2010–2020



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 2020, TE, TAP and TASA apportionments included the following:

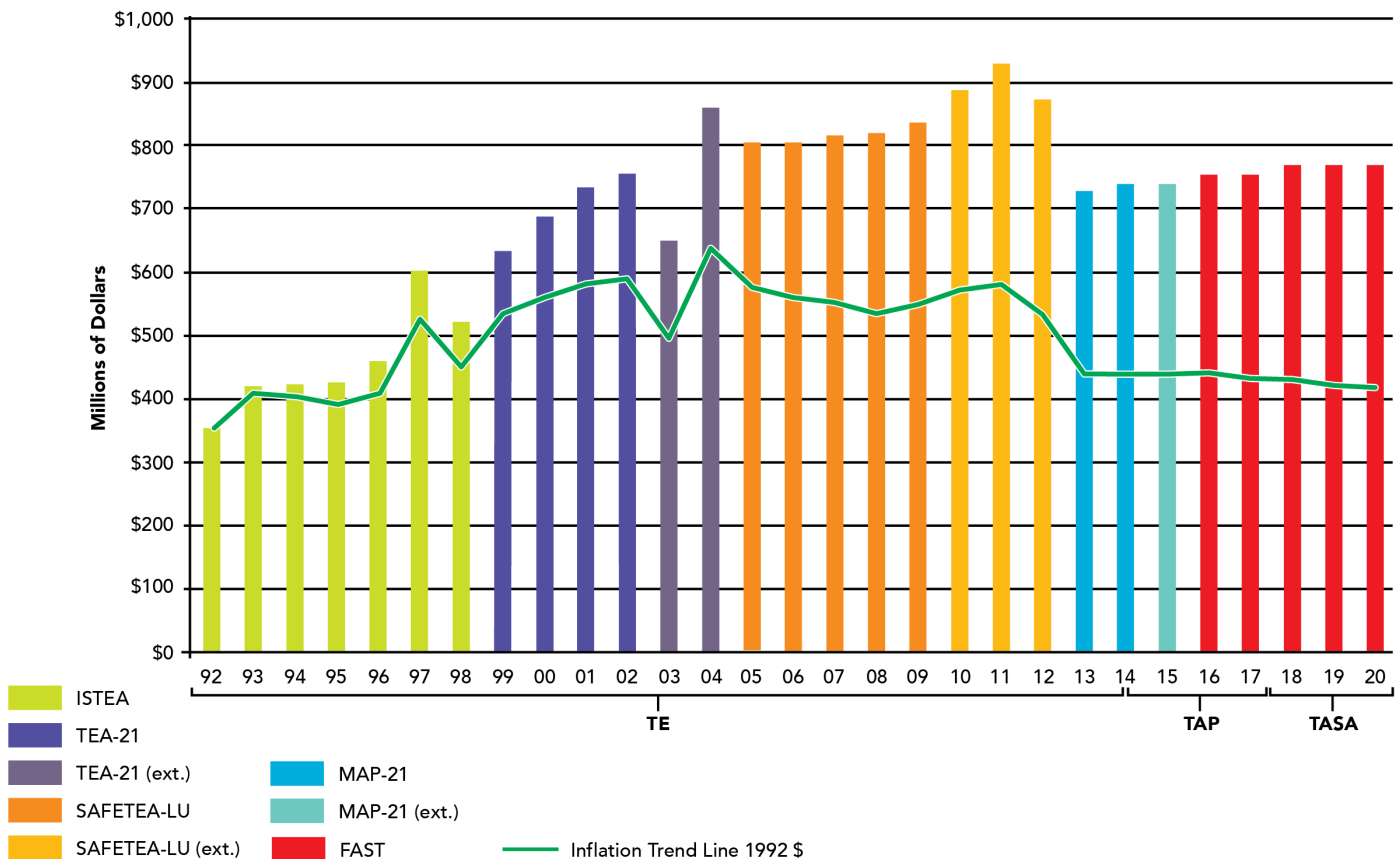
TE: Over the 21 years (FY 1992 through FY 2012) of Transportation Enhancements, the cumulative apportioned funding provided was \$14.27 billion. The remaining unobligated balance is \$154 million, a decrease from FY 2019 in which the balance was \$164 million and from FY 2018 when the balance was \$260 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 \$46 million, a decrease from FY 2019 in which the balance was \$67 million.

TASA: A total of \$767 million was apportioned each year in FY 2018 through FY 2020. A total of \$3.8 billion has been apportioned from FY 2016 to FY 2020. These numbers do not include the \$85 million off the top for the Recreational Trails Program (RTP) for each of the five years. The remaining unobligated balance is \$1.5 billion, an increase from FY 2019 in which the balance was \$1.3 billion.

TE + TAP + TASA: The cumulative apportioned funding for TE, TAP and TASA (FY 1992 through FY 2020) is \$20.36 billion. The national apportionments by year are shown in Figure 6.

Figure 6: TE/TAP/TASA Apportionments by Year, FYs 1992–2020



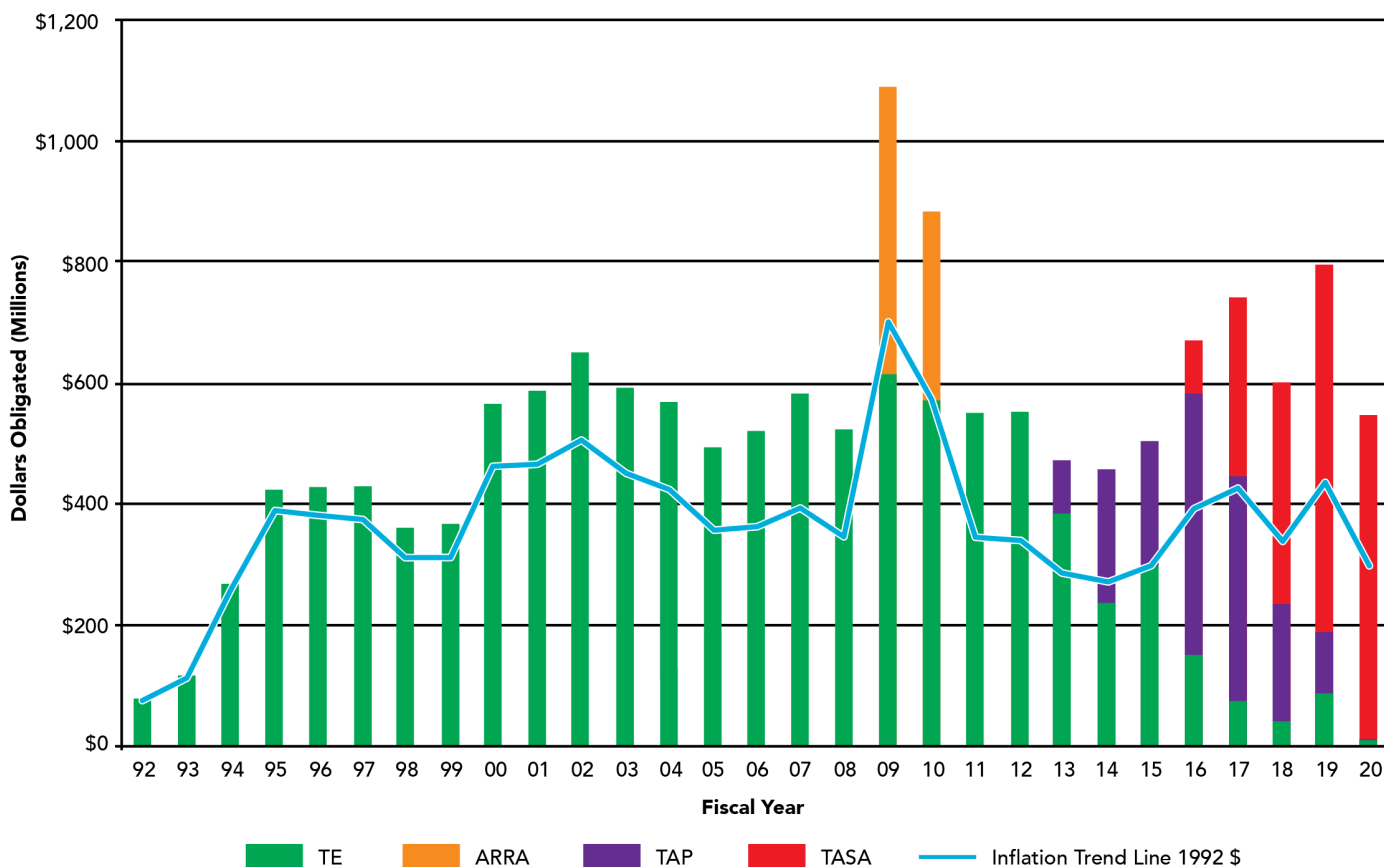
Obligations

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 cumulative obligation rates to the cumulative apportionment. This rate is one indicator of how state DOTs and MPOs direct TE/TAP/TASA funds to eligible projects, though it is important to recognize that the entire apportionment amount may not be available due to annual obligation limitations. Over the course of 29 years, 72% of apportionments have been obligated on TE/TAP/TASA projects nationwide.

Figure 7: TE/TAP/TASA Funding Obligated by Year, FYs 1992–2020



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.

From FY 2016 on, only TASA funds were apportioned, but "old" TE and TAP funds were both 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 2020, \$6 million in TE funds was obligated, a significant decrease from the amount in FY 2019 (\$86 million). The unobligated TE balance was \$154 million, down from \$164 million the year prior. As noted previously, the unobligated TE balance will continue to fluctuate as states deobligate and reobligate funds.

TAP: In FY 2020, \$3.9 million in TAP funds was obligated, down from \$99.7 million in FY 2019. The unobligated TAP balance was \$46 million, down about 30% from FY 2019's unobligated balance of \$67 million. The decrease in obligation of TAP funds coupled with the 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 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 2020, the national obligation amount for TASA was \$535.5 million, down from \$608.9 million in FY 2019. This indicates that last year, states were focused on using remaining TE and TAP funds as well as obligating the newer TASA funds. A total of \$1.5 billion was unobligated in FY 2020.

TE + TAP + TASA: In FY 2020, the combined obligation rate for TE, TAP and TASA was 71%, a significant decrease from 103.7% in FY 2019, and a slight decrease from 78% in FY 2018. This is likely because states were no longer under threat of losing funds due to rescission, though some funds were still lapsed, which contributed to the significant increase in the rate of obligations in FY 2019. Compared to the \$795 million obligated in 2019, only \$546 million was obligated in 2020.

Table 1: Unobligated Funds as of FY 2020

State	2020 Apportionment	Obligation Rate	Total Available Remaining	Obligation/Total Available Remaining	Unobligated TE	Unobligated TAP	Unobligated TASA
Alabama	\$15,903,966	62%	\$51,467,220	19%	\$676,156	\$1,824,180	\$39,097,410
Alaska	\$5,255,429	32%	\$12,905,148	13%	\$0	\$90,631	\$11,115,174
Arizona	\$15,780,308	29%	\$46,356,707	10%	\$1,556,262	\$3,566,103	\$36,677,369
Arkansas	\$9,893,667	54%	\$20,089,588	26%	\$0	\$621,255	\$14,165,379
California	\$70,243,076	116%	\$248,358,657	33%	\$6,315,795	\$7,341,246	\$153,544,007
Colorado	\$10,703,299	111%	\$32,231,885	37%	\$0	\$0	\$20,388,242
Connecticut	\$9,013,604	66%	\$21,750,344	27%	\$552,562	\$396,757	\$14,857,897
Delaware	\$2,857,957	114%	\$6,549,061	50%	\$0	\$78,381	\$3,211,005
District of Columbia	\$2,462,399	185%	\$10,646,737	43%	\$0	\$0	\$6,101,773
Florida	\$49,130,914	120%	\$120,616,813	49%	\$422,661	\$2,096,955	\$59,263,780
Georgia	\$32,530,791	35%	\$84,201,561	14%	\$8,071,394	\$1,984,714	\$62,640,419
Hawaii	\$2,813,683	234%	\$17,554,373	38%	\$2,100,044	\$317,300	\$8,549,523
Idaho	\$3,985,854	97%	\$7,880,659	49%	\$490	\$911,177	\$3,111,323
Illinois	\$28,260,632	113%	\$134,220,433	24%	\$38,588,859	\$1,129,091	\$62,449,550
Indiana	\$22,079,877	112%	\$44,398,966	56%	\$0	\$100,700	\$19,633,398
Iowa	\$9,389,410	15%	\$16,080,477	9%	\$3,031,023	\$435,562	\$11,212,969
Kansas	\$9,439,444	75%	\$27,857,831	25%	\$113,000	\$806,318	\$19,857,988
Kentucky	\$12,114,631	11%	\$25,120,836	5%	\$2,116,573	\$709,874	\$20,980,767
Louisiana	\$10,850,931	17%	\$30,325,512	6%	\$385,346	\$1,793,195	\$26,270,702
Maine	\$2,058,242	104%	\$8,598,022	25%	\$131,033	\$8,283	\$6,315,685
Maryland	\$11,424,717	64%	\$41,791,719	18%	\$1,209,940	\$142,884	\$33,105,825
Massachusetts	\$10,967,563	102%	\$32,359,084	35%	\$8,410	\$449,539	\$20,705,647
Michigan	\$24,500,248	85%	\$52,868,478	39%	\$167	\$131,789	\$32,032,429
Minnesota	\$14,892,924	90%	\$28,148,804	47%	\$852,571	\$100,080	\$13,829,649
Mississippi	\$9,644,301	135%	\$46,322,235	28%	\$8,752,167	\$679,799	\$23,903,941
Missouri	\$18,636,252	43%	\$40,778,701	19%	\$88,117	\$6,258,819	\$26,504,269
Montana	\$4,501,546	41%	\$4,811,558	38%	\$0	\$853	\$2,972,204
Nebraska	\$5,800,536	149%	\$14,498,539	60%	\$218,634	\$113,065	\$5,510,914
Nevada	\$5,118,674	95%	\$13,952,851	35%	\$21,253	\$790,673	\$8,298,244
New Hampshire	\$2,693,395	113%	\$6,672,607	45%	\$624,984	\$3,866	\$3,007,893
New Jersey	\$17,225,758	47%	\$103,263,758	8%	\$32,330,719	\$911,790	\$61,840,973
New Mexico	\$6,158,457	71%	\$14,832,043	29%	\$864,219	\$144,081	\$9,478,342
New York	\$27,292,595	45%	\$88,150,943	14%	\$4,435,231	\$125,785	\$71,240,421
North Carolina	\$22,574,906	-8%	\$42,098,839	-4%	\$5,044,578	\$3,779,588	\$35,035,829
North Dakota	\$3,319,767	27%	\$6,564,421	14%	\$0	\$0	\$5,667,436
Ohio	\$27,350,112	127%	\$64,259,583	54%	\$0	\$0	\$29,421,393
Oklahoma	\$13,020,292	53%	\$40,085,538	17%	\$7,471,145	\$0	\$25,678,211
Oregon	\$7,814,037	88%	\$17,535,758	39%	\$0	\$412,134	\$10,273,637
Pennsylvania	\$26,560,844	138%	\$123,059,075	30%	\$204	\$104,460	\$86,292,323
Rhode Island	\$2,426,060	56%	\$10,413,749	13%	\$966,747	\$229,194	\$7,853,974
South Carolina	\$15,157,163	34%	\$37,755,815	14%	\$0	\$393,670	\$32,247,048
South Dakota	\$4,383,744	41%	\$3,462,995	52%	\$0	\$0	\$1,670,180
Tennessee	\$17,402,983	30%	\$40,966,443	13%	\$117,436	\$1,557,886	\$34,007,841
Texas	\$77,823,495	30%	\$180,745,541	13%	\$15,267,344	\$39,139	\$142,185,940
Utah	\$5,187,512	61%	\$12,736,510	25%	\$466	\$396,278	\$9,178,108
Vermont	\$2,234,902	91%	\$9,808,423	21%	\$1,282,855	\$98,221	\$6,386,355
Virginia	\$21,178,294	29%	\$59,988,310	10%	\$2,201,616	\$2,446,220	\$49,248,493
Washington	\$11,076,742	54%	\$32,186,478	18%	-\$963,963	\$1,464,024	\$25,732,673
West Virginia	\$5,884,975	50%	\$23,563,221	12%	\$6,705,513	\$253,248	\$13,673,450
Wisconsin	\$17,483,397	30%	\$62,848,588	8%	\$2,205,925	\$493,422	\$54,955,008
Wyoming	\$2,297,911	126%	\$9,140,611	32%	\$3,876	\$18,130	\$6,234,178
National	\$766,802,216	71%	\$2,232,882,047	27%	\$153,771,354	\$45,750,359	\$1,487,617,189

Unobligated Funding: While FY 2020 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 2020 was \$1.69 billion, a slight increase from \$1.53 billion in FY 2019. State-specific unobligated balances at the close of FY 2020 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 2020 obligation amounts for TAP and TASA projects, and the rates as compared to the FY 2020 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. MPOs are responsible for selecting projects for their suballocated funds. Table 3 shows FY 2020 obligations of TA funds by state, separated into MPO-allocated funds and state-allocated funds. Unless the state allows subgrants, the state agency remains responsible for the administration of all funds as the agency to which funds are allocated. 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 railstotrails.org/policy/trade/states.

As shown in Table 3, for FY 2020, the national obligation rate for MPOs is slightly higher than for state agencies, at 79% and 72% respectively. In FY 2019, these rates for MPOs and state agencies were at 105% and 103% respectively as agencies at both levels spent down balances from prior years.

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 2020 was \$13.4 billion, and the rate was 92%. Table 4 has the state-specific and national cumulative amounts for all the program benchmarks.

TASA: In FY 2020, the national reimbursement rate for TASA was 80% of the amount obligated. In comparison, in FY 2019, the reimbursement rate for TASA was 46%.

TE + TAP + TASA: The cumulative (FY 1992 to FY 2020) reimbursement rate nationally was 92% of obligations and 66% of apportionments.

Table 2: TA Obligations by Large Urbanized Area Suballocation, FY 2020

State	Apportionment	TAP Obligations	Rate	TASA Obligations	Rate	TAP + TASA Obligations	Rate
Alabama	\$2,817,964	\$248,148	9%	\$3,511,533	125%	\$3,759,681	133%
Alaska	\$929,549	-\$90,631	-10%	\$1,126,687	121%	\$1,036,055	111%
Arizona	\$5,520,479	-\$22,380	-0%	\$4,749,014	86%	\$4,726,634	86%
Arkansas	\$1,300,767	\$0	0%	\$537,103	41%	\$537,103	41%
California	\$28,343,726	-\$286,311	-1%	\$33,523,440	118%	\$33,237,130	117%
Colorado	\$3,403,126	\$210,446	6%	\$3,143,101	92%	\$3,353,547	99%
Connecticut	\$3,374,489	\$182,750	5%	\$5,708,609	169%	\$5,891,360	175%
Delaware	\$766,461	\$11,280	1%	\$771,986	101%	\$783,266	102%
District of Columbia	\$1,231,199	\$543,373	44%	\$2,692,502	219%	\$3,235,875	263%
Florida	\$18,989,361	-\$18,040	-0%	\$23,846,388	126%	\$23,828,348	125%
Georgia	\$8,949,110	-\$114,506	-1%	\$7,438,032	83%	\$7,323,525	82%
Hawaii	\$829,914	\$0	0%	\$0	0%	\$0	0%
Idaho	\$444,567	\$0	0%	\$455,837	103%	\$455,837	103%
Illinois	\$10,299,707	\$515,455	5%	\$7,527,257	73%	\$8,042,712	78%
Indiana	\$5,080,008	-\$13,037	-0%	\$3,212,329	63%	\$3,199,291	63%
Iowa	\$1,019,457	\$22,350	2%	\$460,650	45%	\$483,000	47%
Kansas	\$1,879,834	-\$8,936	-0%	\$1,327,567	71%	\$1,318,631	70%
Kentucky	\$2,143,913	\$46,302	2%	\$511,143	24%	\$557,445	26%
Louisiana	\$2,447,481	\$169,115	7%	\$1,196,110	49%	\$1,365,225	56%
Maine	\$157,978	\$0	0%	\$0	0%	\$0	0%
Maryland	\$4,170,589	\$524,785	13%	\$1,176,039	28%	\$1,700,824	41%
Massachusetts	\$4,679,378	\$65,843	1%	\$6,898,881	147%	\$6,964,724	149%
Michigan	\$6,884,136	\$323,342	5%	\$4,917,968	71%	\$5,241,310	76%
Minnesota	\$3,721,338	\$0	0%	\$4,660,811	125%	\$4,660,811	125%
Mississippi	\$1,119,264	\$1,288,099	115%	\$28,658	3%	\$1,316,757	118%
Missouri	\$4,523,673	-\$159,859	-4%	\$3,803,058	84%	\$3,643,199	81%
Montana	N/A	\$0	N/A	\$0	N/A	\$0	N/A
Nebraska	\$1,453,327	\$50,694	3%	\$1,316,961	91%	\$1,367,655	94%
Nevada	\$2,220,618	\$0	0%	\$1,227,409	55%	\$1,227,409	55%
New Hampshire	\$319,286	-\$3,866	-1%	-\$19,288	-6%	-\$23,154	-7%
New Jersey	\$7,738,236	\$1,584,965	20%	\$4,245,531	55%	\$5,830,497	75%
New Mexico	\$1,154,468	\$40,459	4%	\$886,549	77%	\$927,008	80%
New York	\$10,783,948	\$73,613	1%	\$2,603,935	24%	\$2,677,548	25%
North Carolina	\$5,177,705	-\$897,811	-17%	\$616,210	12%	-\$281,601	-5%
North Dakota	N/A	\$0	N/A	\$0	N/A	\$0	N/A
Ohio	\$8,142,461	\$0	0%	\$9,398,003	115%	\$9,398,003	115%
Oklahoma	\$2,632,595	\$77,969	3%	\$2,494,588	95%	\$2,572,557	98%
Oregon	\$2,013,528	\$100,683	5%	\$2,284,417	113%	\$2,385,100	118%
Pennsylvania	\$8,251,352	\$41,237	0%	\$8,253,962	100%	\$8,295,199	101%
Rhode Island	\$1,097,248	\$26,205	2%	\$591,660	54%	\$617,864	56%
South Carolina	\$3,057,672	\$32,309	1%	\$1,258,394	41%	\$1,290,703	42%
South Dakota	N/A	\$0	N/A	\$0	N/A	\$0	N/A
Tennessee	\$3,732,985	-\$735,153	-20%	\$506,123	14%	-\$229,030	-6%
Texas	\$25,567,954	-\$23,883	-0%	\$17,312,079	68%	\$17,288,196	68%
Utah	\$1,923,896	\$710,286	37%	\$1,979,523	103%	\$2,689,808	140%
Vermont	N/A	\$0	N/A	\$0	N/A	\$0	N/A
Virginia	\$6,404,578	-\$393,498	-6%	\$3,510,516	55%	\$3,117,018	49%
Washington	\$3,309,065	\$0	0%	\$2,740,144	83%	\$2,740,144	83%
West Virginia	\$178,277	\$0	0%	\$0	0%	\$0	0%
Wisconsin	\$3,430,359	-\$382,197	-11%	\$3,384,246	99%	\$3,002,049	88%
Wyoming	N/A	\$0	N/A	\$0	N/A	\$0	N/A
National	\$223,617,026	\$3,739,600	2%	\$187,815,665	84%	\$191,555,264	86%

Table 3: TA Obligations by Large Urbanized Area Suballocation and State Allocation, FY 2020

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	\$3,759,681	\$6,109,793	\$9,869,474	133%	47%	62%
Alaska	\$929,549	\$4,325,880	\$5,255,429	\$1,036,055	\$663,286	\$1,699,342	111%	15%	32%
Arizona	\$5,520,479	\$10,259,829	\$15,780,308	\$4,726,634	-\$169,661	\$4,556,973	86%	-2%	29%
Arkansas	\$1,300,767	\$8,592,900	\$9,893,667	\$537,103	\$4,765,851	\$5,302,954	41%	55%	54%
California	\$28,343,726	\$41,899,350	\$70,243,076	\$33,237,130	\$47,920,479	\$81,157,609	117%	114%	116%
Colorado	\$3,403,126	\$7,300,173	\$10,703,299	\$3,353,547	\$8,490,096	\$11,843,643	99%	116%	111%
Connecticut	\$3,374,489	\$5,639,115	\$9,013,604	\$5,891,360	\$51,769	\$5,943,128	175%	1%	66%
Delaware	\$766,461	\$2,091,496	\$2,857,957	\$783,266	\$2,476,409	\$3,259,675	102%	118%	114%
District of Columbia	\$1,231,199	\$1,231,200	\$2,462,399	\$3,235,875	\$1,309,088	\$4,544,963	263%	106%	185%
Florida	\$18,989,361	\$30,141,553	\$49,130,914	\$23,828,348	\$35,005,069	\$58,833,417	125%	116%	120%
Georgia	\$8,949,110	\$23,581,681	\$32,530,791	\$7,323,525	\$4,181,508	\$11,505,034	82%	18%	35%
Hawaii	\$829,914	\$1,983,769	\$2,813,683	\$0	\$6,587,506	\$6,587,506	0%	332%	234%
Idaho	\$444,567	\$3,541,287	\$3,985,854	\$455,837	\$3,401,831	\$3,857,668	103%	96%	97%
Illinois	\$10,299,707	\$17,960,925	\$28,260,632	\$8,042,712	\$24,010,221	\$32,052,933	78%	134%	113%
Indiana	\$5,080,008	\$18,201,578	\$23,281,586	\$3,199,291	\$21,465,577	\$24,664,868	63%	118%	106%
Iowa	\$1,019,457	\$8,369,953	\$9,389,410	\$483,000	\$917,924	\$1,400,924	47%	11%	15%
Kansas	\$1,879,834	\$7,559,610	\$9,439,444	\$1,318,631	\$5,761,894	\$7,080,525	70%	76%	75%
Kentucky	\$2,143,913	\$9,970,718	\$12,114,631	\$557,445	\$756,177	\$1,313,622	26%	8%	11%
Louisiana	\$2,447,481	\$8,403,450	\$10,850,931	\$1,365,225	\$511,044	\$1,876,269	56%	6%	17%
Maine	\$157,978	\$1,900,264	\$2,058,242	\$0	\$2,143,022	\$2,143,022	0%	113%	104%
Maryland	\$4,170,589	\$7,254,128	\$11,424,717	\$1,700,824	\$5,632,246	\$7,333,070	41%	78%	64%
Massachusetts	\$4,679,378	\$6,288,185	\$10,967,563	\$6,964,724	\$4,230,764	\$11,195,488	149%	67%	102%
Michigan	\$6,884,136	\$17,616,112	\$24,500,248	\$5,241,310	\$15,462,782	\$20,704,092	76%	88%	85%
Minnesota	\$3,721,338	\$11,171,586	\$14,892,924	\$4,660,811	\$8,705,694	\$13,366,505	125%	78%	90%
Mississippi	\$1,119,264	\$8,525,037	\$9,644,301	\$1,316,757	\$11,669,571	\$12,986,328	118%	137%	135%
Missouri	\$4,523,673	\$14,112,579	\$18,636,252	\$3,643,199	\$4,284,296	\$7,927,495	81%	30%	43%
Montana	N/A	N/A	\$4,501,546	N/A	\$1,838,501	\$1,838,501	N/A	N/A	41%
Nebraska	\$1,453,327	\$4,347,209	\$5,800,536	\$1,367,655	\$7,288,271	\$8,655,926	94%	168%	149%
Nevada	\$2,220,618	\$2,898,056	\$5,118,674	\$1,227,409	\$3,615,271	\$4,842,680	55%	125%	95%
New Hampshire	\$319,286	\$2,374,109	\$2,693,395	-\$23,154	\$3,059,019	\$3,035,864	-7%	129%	113%
New Jersey	\$7,738,236	\$9,487,522	\$17,225,758	\$5,830,497	\$2,349,780	\$8,180,276	75%	25%	47%
New Mexico	\$1,154,468	\$5,003,989	\$6,158,457	\$927,008	\$3,418,393	\$4,345,401	80%	68%	71%
New York	\$10,783,948	\$16,508,647	\$27,292,595	\$2,677,548	\$9,671,958	\$12,349,506	25%	59%	45%
North Carolina	\$5,177,705	\$17,397,201	\$22,574,906	-\$281,601	-\$1,479,555	-\$1,761,156	-5%	-9%	-8%
North Dakota	N/A	N/A	\$3,319,767	N/A	\$896,985	\$896,985	N/A	N/A	27%
Ohio	\$8,142,461	\$19,207,651	\$27,350,112	\$9,398,003	\$25,440,187	\$34,838,190	115%	132%	127%
Oklahoma	\$2,632,595	\$10,387,697	\$13,020,292	\$2,572,557	\$4,363,625	\$6,936,182	98%	42%	53%
Oregon	\$2,013,528	\$5,800,509	\$7,814,037	\$2,385,100	\$4,464,887	\$6,849,987	118%	77%	88%
Pennsylvania	\$8,251,352	\$18,309,492	\$26,560,844	\$8,295,199	\$28,366,888	\$36,662,088	101%	155%	138%
Rhode Island	\$1,097,248	\$1,328,812	\$2,426,060	\$617,864	\$745,969	\$1,363,833	56%	56%	56%
South Carolina	\$3,057,672	\$12,099,491	\$15,157,163	\$1,290,703	\$3,824,395	\$5,115,098	42%	32%	34%
South Dakota	N/A	N/A	\$4,383,744	N/A	\$1,792,815	\$1,792,815	N/A	N/A	41%
Tennessee	\$3,732,985	\$13,669,998	\$17,402,983	-\$229,030	\$5,512,309	\$5,283,279	-6%	40%	30%
Texas	\$25,567,954	\$52,255,541	\$77,823,495	\$17,288,196	\$5,964,923	\$23,253,119	68%	11%	30%
Utah	\$1,923,896	\$3,263,616	\$5,187,512	\$2,689,808	\$471,851	\$3,161,659	140%	14%	61%
Vermont	N/A	N/A	\$2,234,902	N/A	\$2,040,993	\$2,040,993	N/A	N/A	91%
Virginia	\$6,404,578	\$14,773,716	\$21,178,294	\$3,117,018	\$2,974,963	\$6,091,981	49%	20%	29%
Washington	\$3,309,065	\$7,767,677	\$11,076,742	\$2,740,144	\$3,213,600	\$5,953,745	83%	41%	54%
West Virginia	\$178,277	\$5,706,698	\$5,884,975	N/A	\$2,931,010	\$2,931,010	0%	51%	50%
Wisconsin	\$3,430,359	\$14,053,038	\$17,483,397	\$3,002,049	\$2,192,183	\$5,194,232	88%	16%	30%
Wyoming	N/A	N/A	\$2,297,911	N/A	\$2,884,427	\$2,884,427	N/A	N/A	126%
National	\$223,617,026	\$527,649,029	\$768,003,925	\$191,555,264	\$354,187,881	\$545,743,145	79%	72%	75%

Table 4: State TE/TAP/TASA Program Benchmarks, FYs 1992–2020

State	Apportioned	Available	Programmed	Obligated	Reimbursed
Alabama	\$398,028,385	\$332,907,925	\$309,305,655	\$291,310,178	\$268,573,598
Alaska	\$214,863,002	\$170,306,564	\$162,008,572	\$159,100,758	\$155,485,286
Arizona	\$371,679,360	\$324,176,963	\$209,276,060	\$282,377,229	\$271,301,599
Arkansas	\$261,851,851	\$180,628,789	\$184,522,139	\$165,842,155	\$152,455,190
California	\$1,753,298,892	\$1,540,276,776	\$1,256,730,299	\$1,373,075,727	\$1,215,449,290
Colorado	\$277,752,969	\$236,352,239	\$177,512,311	\$215,963,997	\$213,303,970
Connecticut	\$244,452,183	\$170,977,453	\$177,932,604	\$155,170,238	\$135,142,984
Delaware	\$89,986,536	\$93,045,405	\$80,196,458	\$89,756,019	\$85,111,986
District of Columbia	\$76,667,982	\$65,286,345	\$50,545,633	\$59,184,571	\$54,311,821
Florida	\$1,238,579,002	\$1,116,494,029	\$1,065,220,691	\$1,054,710,633	\$974,929,232
Georgia	\$764,468,993	\$538,570,469	\$367,436,860	\$465,873,941	\$424,179,049
Hawaii	\$111,522,744	\$97,303,995	\$90,433,397	\$86,337,128	\$71,194,383
Idaho	\$131,832,842	\$95,327,252	\$108,473,123	\$91,304,261	\$85,970,398
Illinois	\$716,948,872	\$645,752,494	\$715,101,419	\$543,584,994	\$496,195,251
Indiana	\$526,433,556	\$547,362,324	\$490,226,572	\$527,628,226	\$507,896,349
Iowa	\$251,855,919	\$222,442,010	\$327,727,835	\$207,762,457	\$202,334,706
Kansas	\$251,278,980	\$255,021,469	\$243,187,392	\$234,244,163	\$223,747,208
Kentucky	\$317,031,927	\$284,744,858	\$245,267,212	\$260,937,644	\$231,042,549
Louisiana	\$285,595,373	\$197,425,355	\$270,477,344	\$168,976,112	\$161,000,855
Maine	\$84,626,028	\$76,371,544	\$95,825,136	\$69,916,544	\$69,238,033
Maryland	\$290,029,071	\$242,255,204	\$303,681,590	\$207,796,555	\$189,931,404
Massachusetts	\$295,429,072	\$262,398,775	\$199,997,943	\$241,235,179	\$198,817,892
Michigan	\$622,883,701	\$577,136,195	\$622,884,055	\$544,971,809	\$515,739,464
Minnesota	\$378,826,765	\$338,569,877	\$422,092,371	\$323,787,577	\$316,669,325
Mississippi	\$252,124,435	\$244,253,152	\$191,965,320	\$210,917,245	\$193,408,291
Missouri	\$453,920,632	\$391,891,992	\$270,369,117	\$359,040,786	\$345,866,473
Montana	\$149,257,415	\$129,044,241	\$132,586,275	\$126,071,184	\$124,213,864
Nebraska	\$167,529,475	\$123,292,341	\$112,027,473	\$117,449,728	\$106,320,813
Nevada	\$145,437,298	\$110,946,132	\$119,123,730	\$101,835,961	\$88,749,080
New Hampshire	\$90,985,433	\$79,514,504	\$99,066,312	\$75,877,761	\$71,776,280
New Jersey	\$424,596,665	\$350,657,161	\$226,442,802	\$255,573,679	\$205,927,819
New Mexico	\$182,923,719	\$138,948,482	\$206,576,602	\$128,461,839	\$115,907,857
New York	\$819,718,801	\$599,773,713	\$621,952,915	\$523,972,276	\$479,250,242
North Carolina	\$564,229,380	\$468,190,860	\$607,958,167	\$424,330,865	\$373,374,349
North Dakota	\$194,936,238	\$85,785,496	\$74,965,032	\$80,118,060	\$79,072,715
Ohio	\$771,824,437	\$590,741,776	\$564,609,004	\$561,320,383	\$542,379,668
Oklahoma	\$339,387,820	\$225,154,055	\$164,664,652	\$192,004,699	\$177,466,679
Oregon	\$222,209,659	\$179,077,494	\$172,773,041	\$168,391,723	\$153,097,807
Pennsylvania	\$619,491,569	\$636,090,570	\$557,194,339	\$549,693,582	\$502,954,740
Rhode Island	\$82,045,892	\$83,884,547	\$238,918,484	\$74,834,631	\$73,518,608
South Carolina	\$361,941,597	\$250,567,071	\$173,249,831	\$217,926,354	\$204,376,085
South Dakota	\$134,001,194	\$69,166,261	\$61,625,918	\$67,496,081	\$65,888,371
Tennessee	\$433,675,943	\$378,662,611	\$338,821,407	\$342,979,448	\$301,746,980
Texas	\$1,975,071,216	\$1,125,933,889	\$1,208,910,215	\$968,441,466	\$855,271,613
Utah	\$146,095,610	\$130,225,973	\$109,845,145	\$120,651,121	\$117,582,498
Vermont	\$81,130,177	\$80,051,866	\$72,251,316	\$72,284,435	\$68,458,689
Virginia	\$603,769,262	\$472,259,070	\$460,041,443	\$418,362,741	\$365,226,877
Washington	\$306,363,278	\$249,177,347	\$268,345,509	\$222,944,613	\$214,139,019
West Virginia	\$153,854,504	\$151,447,291	\$103,256,399	\$130,815,080	\$113,385,088
Wisconsin	\$551,908,293	\$272,061,259	\$242,198,174	\$214,406,903	\$202,879,788
Wyoming	\$89,477,826	\$90,627,179	\$74,773,050	\$84,370,995	\$81,303,047
National	\$20,273,831,773	\$16,318,560,639	\$15,650,574,343	\$14,631,421,737	\$13,443,565,160

FUNDING LOSSES

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 (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 in addition to available funding that was not obligated. 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 occur if a state does not obligate dollars apportioned to it. While obligation limitations can contribute to unobligated balances, states have discretion to obligate at a higher or lower rate than the overall obligation limitation for any given program, including TA.

Since 1992, 14 rescissions have impacted TE/TAP/TASA funds. The first and only rescission to impact TASA funds was enacted in 2017. 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. Additional rescissions were scheduled in the FAST Act to impact fiscal year (FY) 2018 and FY 2019 funds but were eventually repealed.

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.

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. Transfers are discussed in the next section.

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.

No states allowed funding to lapse in FY 2020.

Transfers

There are two types of transfers of TE/TAP/TASA funds that determine how transferred funds can be used: inter-program and inter-agency transfers.

The legislative language in the FAST Act and MAP-21 allows states to make inter-program transfers, 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, not suballocated funds like those available to metropolitan planning organizations (MPOs). (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.

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 Federal Transit Administration (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 the FTA; however, the transferred funds must be used for TE-eligible activities. Today, these TE provisions are largely unused, but in FY 2020, Maryland used the inter-agency transferability provision to transfer \$2.4 million to the National Park Service (NPS) (Table 5), where the funds are generally used for pedestrian and bicycle infrastructure.

The shift in allowable transfers under MAP-21 opened the door for states to greatly increase the amount of inter-program transfers, with \$1.5 billion or about 24% of the apportioned dollars in total transfers since the passage of MAP-21. In comparison, only \$192 million was transferred in the first two decades of the program prior to the passage of MAP-21.

TE + TAP + TASA: The total transfers between FY 1992 and FY 2020 equate to \$1.7 billion. The vast majority of transfers (\$1.5 billion) have occurred in the last eight years; only \$192 million was transferred prior to the passage of MAP-21.

Inter-Agency Transfers

Inter-agency transfers are a frequently used mechanism to transfer funds from the state DOT to federal agencies to administer 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 are not uncommon. Several agencies, including the FS, have become more proactive about applying for TA funding to build multi-use trails and other eligible projects on federally managed lands. Other common receiving agencies include the FTA and the Bureau of Indian Affairs (BIA) and are often used to ensure pedestrian and bicycle access to transit. Since inter-agency transfers must still be used for TE/TAP/TASA-eligible projects, this type of transfer is encouraged and has become more common in recent years.

In FY 2020, a cumulative \$16 million in inter-agency transfers was made to federal agencies for TE/TAP/TASA-eligible activities. Table 5 indicates the breakout by state and agency. In comparison, FY 2019 saw \$24 million in inter-agency transfers, and FY 2018 saw \$46 million.

Inter-Program Transfers

In contrast to inter-agency transfers, inter-program transfers allow funding to be transferred to another 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 STBG, 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. While some states do use funds transferred to STBG to support walking and biking infrastructure, it is exceedingly rare. Apart from a few states, like Connecticut, most states almost exclusively use STBG funds to build roads, bridges and highways, not TE/TA-eligible projects. An additional report on transferred funds would be needed to track the ultimate fate of these dollars.

As shown in Table 6, in FY 2020, a cumulative \$153 million in inter-program transfers was made: \$103 million to STBG, \$32 million to the Highway Safety Improvement Program (HSIP) and \$14 million to the Congestion Mitigation and Air Quality (CMAQ) program. At \$150 million, 99% of transfers were made from TASA funds. Just \$79,000, or about 0.05%, of transfers was made from TAP funds. And \$2.1 million, or about 1%, of inter-program transfers was made from TE funds.

TASA: In FY 2020, \$135 million was transferred by 17 states to the STBG/HSIP, which accounts for 18% of the total 2020 apportionment.

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.

FUNDING LOSSES

Table 5: Inter-Agency Transfers of TE/TAP/TASA, FY 2020

State	TE	TAP	TASA	To Fund	Total
Alaska			\$7,480	BIA	\$7,480
Maryland	\$2,450,000		\$1,027,632	NPS	\$3,477,632
New York		\$507,385	\$3,690,615	FTA	\$4,198,000
North Dakota		\$15,059	\$152,299	BIA	\$167,358
Oregon			\$440,000	FTA	\$440,000
Pennsylvania			\$1,060,000	FTA	\$1,060,000
South Dakota			\$400,000	BIA	\$400,000
South Dakota			\$800,000	FLH	\$800,000
Tennessee			\$80,000	FTA	\$80,000
Texas			\$2,686,084	FTA	\$2,686,084
Washington			\$2,696,305	FTA	\$2,696,305
Total					
BIA	\$-	\$15,059	\$559,779		
FLH	\$-	\$-	\$800,000		
FTA	\$-	\$507,385	\$10,653,004		
NPS	\$2,450,000	\$-	\$1,027,632		
Total by Funding Source	\$2,450,000	\$522,444	\$13,040,415		
Total Inter-Agency Transfer					\$16,012,859

FUNDING LOSSES

Table 6: Inter-Program Transfers of TE/TAP/TASA, FY 2020

State	TE	To Fund	TAP	To Fund	TASA	To Fund	Total
Arizona					\$7,890,154	STBG	\$7,890,154
Connecticut			\$10	STBG	\$4,506,802	STBG	\$4,506,802
Georgia			\$79,220	STP	\$32,530,792	HSIP	\$32,530,802
Hawaii					\$2,084,239	STBG	\$2,163,459
Hawaii					\$567,780	NHPP	\$567,780
Iowa					\$4,694,705	STBG	\$4,694,705
Louisiana					\$2,712,733	STBG	\$2,712,733
Mississippi					\$488,000	STBG	\$488,000
Missouri					\$9,318,126	STBG	\$9,318,126
North Dakota					\$1,659,884	STBG	\$1,659,884
Nevada					\$1,279,668	STBG	\$1,279,668
New Hampshire					\$1,298,342	STBG	\$1,298,342
New York					\$5,000,000	CMAQ	\$5,000,000
New Mexico	\$209,327	BRIDGE PROGRAM - 85% ON/OFF			\$7,018,177	STBG	\$7,018,177
New Mexico	\$1,921,670	INTERSTATE MAINT S-LU EXT					\$209,327
New Mexico							\$1,921,670
North Carolina					\$9,000,000	CMAQ	\$9,000,000
Oklahoma					\$6,510,146	STBG	\$6,510,146
South Carolina					\$7,578,582	STBG	\$7,578,582
Utah					\$2,593,756	STBG	\$2,593,756
Texas					\$38,911,748	STBG	\$38,911,748
Wisconsin					\$4,370,849	STBG	\$4,370,849
Total							
CMAQ	\$-		\$-		\$14,000,000		
HSIP	\$-		\$-		\$32,530,792		
NHPP	\$-		\$-		\$567,780		
STBG	\$-		\$10		\$102,915,911		
STP	\$-		\$79,220		\$-		
BRIDGE PROGRAM - 85% ON/OFF	\$209,327		\$-		\$-		
INTERSTATE MAINT S-LU EXT	\$1,921,670		\$-		\$-		
Total by Funding Source	\$2,130,997		\$79,230		\$150,014,483		
Total by Transfer Type							\$152,224,710

PROGRAM ANALYSIS

This chapter presents major findings from the self-reported programming data collected from state departments of transportation (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 29 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 2020 is \$15.65 billion, representing 78% of all apportionments.

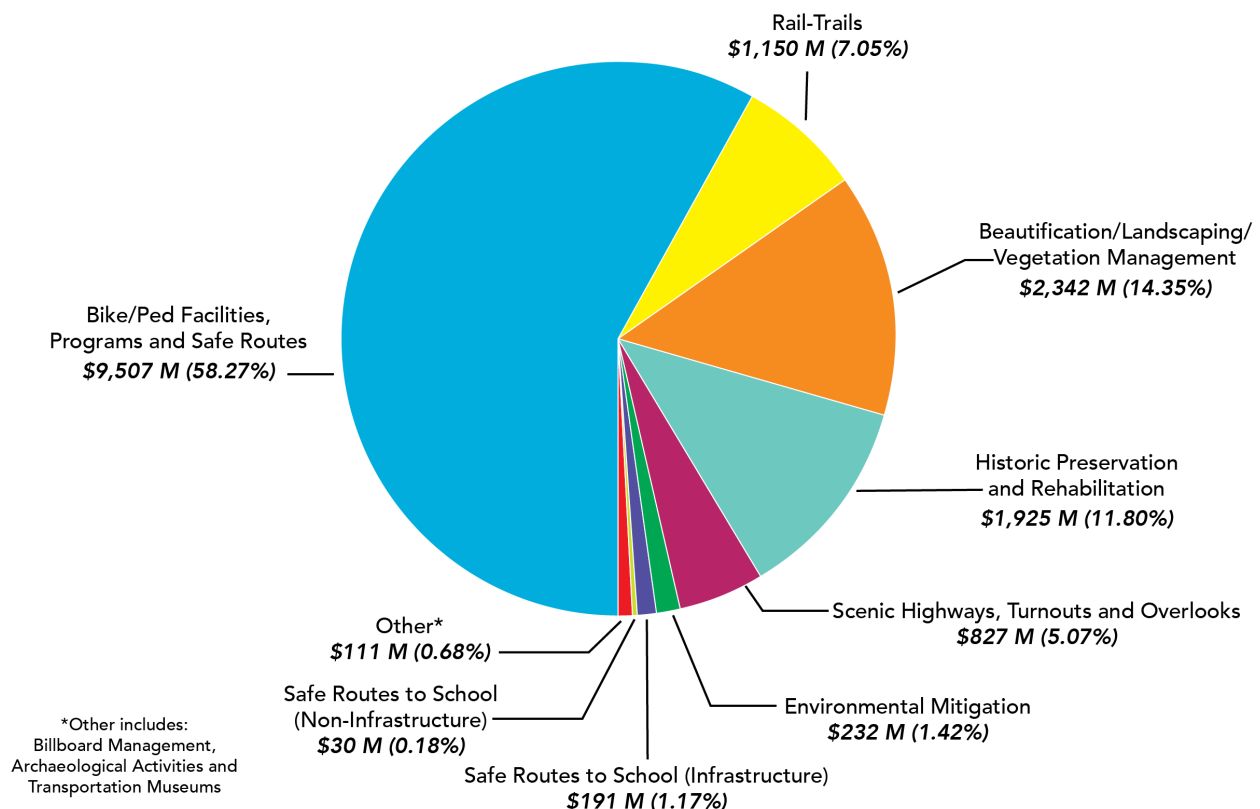
Future Programming: The programming data also show that 20 states have selected projects for future fiscal years. The database now has 392 future programmed projects worth \$246 million in federal funding. The future programming data suggest that there are projects in the design and development stages 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 2020.

Figure 8: Distribution of Federal Funding by TE/TAP/TASA Eligibility Grouping, FYs 1992–2020



To see Figure 8 for an individual state, visit railstotrails.org/policy/trade/states.

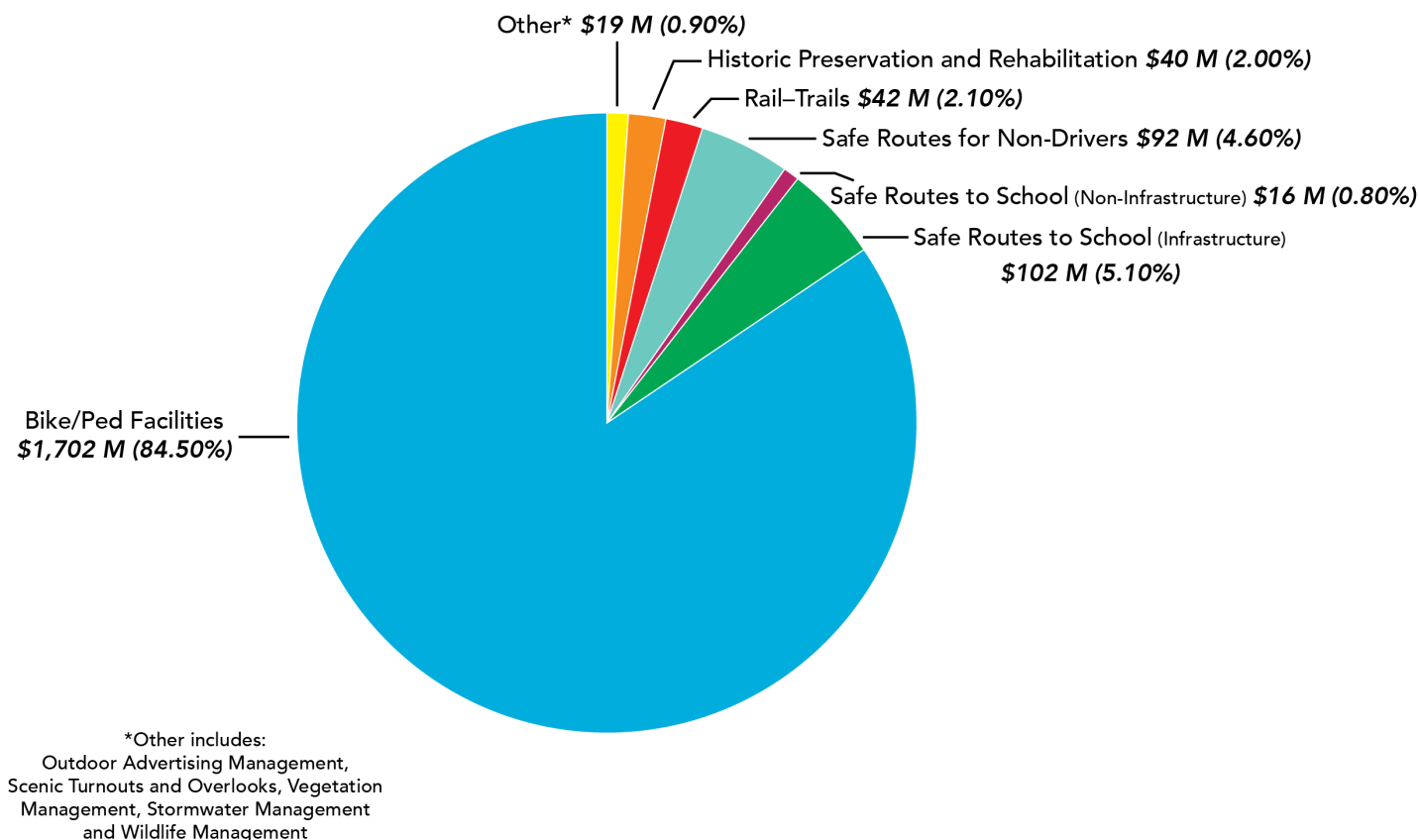
PROGRAM ANALYSIS

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 58.27%. Beautification continues to be the second-largest category of spending at 14.35%. Historic preservation and rehabilitation of transportation structures is the third-largest eligibility category, with 11.8% of programmed funding. Rail-trails, while a specific type of pedestrian and bicycle facility, are categorized separately and account for 7% of funding, followed by scenic highways, turnouts and overlooks with 5% 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 2020.

Figure 9 illustrates the distribution of funding across 7 categories including safe routes to school over the last six fiscal years. The pedestrian and bicycle facilities category continues to receive the greatest portion, with 84.5% of TA funding. Percentages for most categories shifted only slightly. Compared with last year, safe routes for non-drivers funding decreased (from \$110 million to \$92 million), and rail-trails funding decreased (from \$86 million to \$42 million). Pedestrian and bicycle facilities funding increased from \$1.4 billion to \$1.7 billion, and safe routes to school infrastructure funding decreased from \$137 million to \$102 million.

Figure 9: Distribution of Federal Funding by TA Activity, FYs 2014–2020

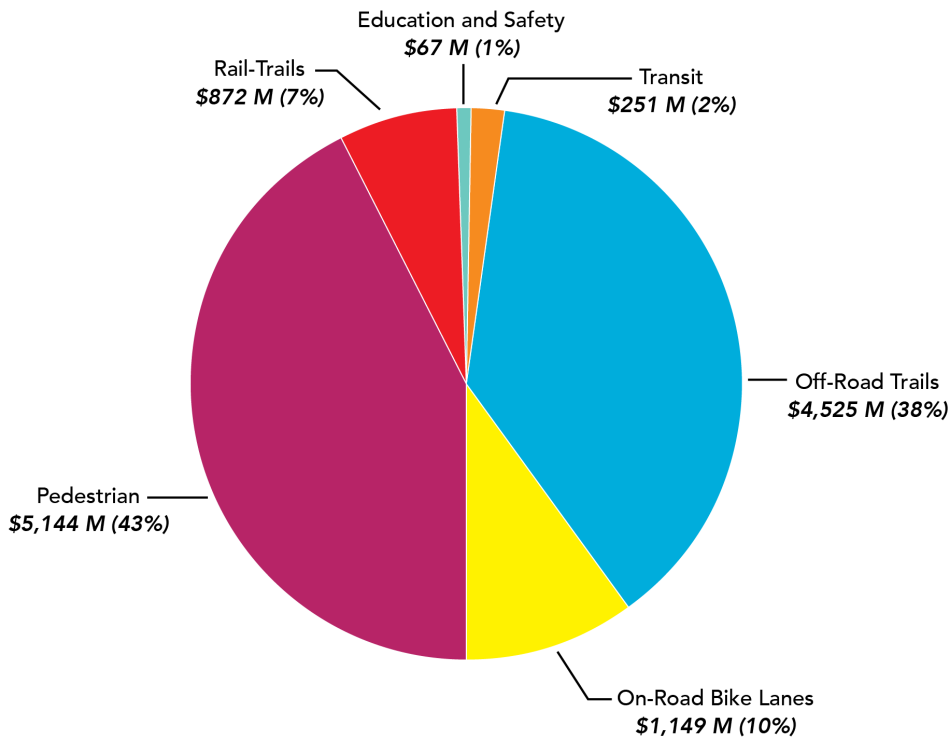


Bicycle and Pedestrian Project Subtypes

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. Pedestrian facilities and off-road trails received the highest and second-highest shares of programmed funding across these categories, at 43% and 38% respectively. On-road bicycle lanes (10%) and rail-trails (7%) comprised the third- and fourth-largest shares.

Figure 10: Distribution of Funding Across Projects With Designated Bike and Pedestrian Subtypes, FYs 1992–2020



Future Programming

States programmed 392 projects for future years (FY 2021 to FY 2027), though these are subject to change. The total federal dollar amount for these projects is \$246 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 2020, the average federal project award was \$440,960, ranging from \$145,535 in Montana to \$1,779,796 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. In most cases, the federal government can reimburse no more than 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 26%. As in previous years, this rate surpassed the federal share required under Section 120 of Title 23, United States Code. Table 7 shows that 37 states had a match rate higher than 20%, and 19 of these states had a rate higher than the national average, with Maryland having the highest average match rate at 54%.

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 Fixing America's Surface Transportation Act (FAST Act) and the Moving Ahead for Progress in the 21st Century Act (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 have 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 often struggle to come up with those funds; this is particularly true in low-income communities.

Table 7: Cumulative Programmed Federal Awards and Matching Funds, FYs 1992–2020

State	Project Count	Total Federal Awards	Average Federal Award	Matching Funds	Match Rate
Alabama	1,781	\$368,838,373	\$207,096	\$84,612,096	19%
Alaska	498	\$180,258,837	\$361,966	\$22,737,124	11%
Arizona	509	\$217,187,030	\$426,694	\$59,311,855	21%
Arkansas	879	\$195,307,494	\$222,193	\$84,857,579	30%
California	1,917	\$1,267,635,331	\$661,260	\$761,980,818	38%
Colorado	730	\$184,313,399	\$252,484	\$81,534,517	31%
Connecticut	269	\$199,474,754	\$741,542	\$51,339,480	20%
Delaware	278	\$83,896,608	\$301,786	\$45,765,216	35%
District of Columbia	146	\$52,398,351	\$358,893	\$11,356,931	18%
Florida	3,633	\$1,116,329,259	\$307,275	\$90,697,632	8%
Georgia	918	\$397,169,273	\$432,646	\$104,487,953	21%
Hawaii	52	\$92,549,397	\$1,779,796	\$28,782,268	24%
Idaho	208	\$109,821,245	\$527,987	\$15,557,128	12%
Illinois	962	\$737,257,849	\$766,380	\$215,677,869	23%
Indiana	774	\$498,046,576	\$643,471	\$176,561,333	26%
Iowa	1,324	\$379,483,230	\$286,619	\$266,916,029	41%
Kansas	598	\$255,043,128	\$426,494	\$118,784,731	32%
Kentucky	940	\$247,110,212	\$262,883	\$72,607,506	23%
Louisiana	548	\$215,212,599	\$392,724	\$27,505,596	11%
Maine	474	\$105,801,201	\$223,209	\$40,035,797	27%
Maryland	420	\$330,156,513	\$786,087	\$388,342,724	54%
Massachusetts	420	\$230,577,165	\$548,993	\$70,938,926	24%
Michigan	2,085	\$676,652,950	\$324,534	\$332,717,968	33%
Minnesota	1,027	\$456,099,002	\$444,108	\$310,975,174	41%
Mississippi	483	\$204,976,518	\$424,382	\$42,143,250	17%
Missouri	1,041	\$277,544,406	\$266,613	\$118,003,056	30%
Montana	911	\$132,582,075	\$145,535	\$35,417,666	21%
Nebraska	650	\$119,914,683	\$184,484	\$62,564,890	34%
Nevada	264	\$129,497,251	\$490,520	\$45,932,277	26%
New Hampshire	263	\$91,830,994	\$349,167	\$30,040,126	25%
New Jersey	559	\$271,059,099	\$484,900	\$81,770,480	23%
New Mexico	603	\$199,964,030	\$331,615	\$64,300,130	24%
New York	756	\$659,994,081	\$873,008	\$399,320,363	38%
North Carolina	1,303	\$570,307,430	\$437,688	\$137,364,396	19%
North Dakota	401	\$83,294,856	\$207,718	\$30,879,739	27%
Ohio	1,193	\$617,173,613	\$517,329	\$198,161,535	24%
Oklahoma	434	\$164,664,652	\$379,412	\$40,717,259	20%
Oregon	332	\$178,780,170	\$538,494	\$70,057,015	28%
Pennsylvania	1171	\$581,778,540	\$496,822	\$117,313,080	17%
Rhode Island	283	\$141,371,548	\$499,546	\$32,346,314	19%
South Carolina	878	\$184,495,905	\$210,132	\$82,267,138	31%
South Dakota	278	\$66,720,311	\$240,001	\$30,797,858	32%
Tennessee	871	\$406,993,192	\$467,271	\$97,250,140	19%
Texas	951	\$1,268,272,802	\$1,333,620	\$336,261,174	21%
Utah	268	\$112,856,588	\$421,107	\$29,819,148	21%
Vermont	457	\$74,246,209	\$162,464	\$23,390,742	24%
Virginia	1,072	\$471,590,271	\$439,916	\$368,228,684	44%
Washington	1,032	\$275,547,948	\$267,004	\$158,035,049	36%
West Virginia	647	\$107,842,132	\$166,680	\$28,495,591	21%
Wisconsin	761	\$229,989,549	\$302,220	\$63,866,681	22%
Wyoming	479	\$78,652,142	\$164,201	\$18,328,061	19%
Subtotal (without FHWA)	39,731	\$16,298,560,771			26%
FHWA-only 2020	314	\$129,537,734			
Total	40,045	\$16,428,098,505	\$440,960	\$6,207,156,089	26%

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: railstotrails.org/policy/trade/states.

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%.

Programming Analysis Caveats

Every effort possible was made to collect accurate project-level data from states. However, there are a few inconsistencies in the dataset. For example, for 22 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, 19 states have programming totals that are higher than their available balances—the amount available before obligations were made during FY 2019. 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 for 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 nearly 30 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 transfers, inactivity or allowing funds to lapse. 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 fiscal year (FY) 2020, the combined obligation rate for TE, TAP and TASA was 71%, a significant but expected decrease from 103.7% in FY 2019 as states no longer faced increased pressure to obligate funds to avoid rescissions. However, states must continue to actively obligate funds at a higher rate to spend down the high available balances and meet the growing demand for safe places to walk and bike.

Transfers, Lapsing and Rescissions

Under the Fixing America's Surface Transportation (FAST) Act, states could continue to transfer up to half of all Transportation Alternatives (TA) funds out of the program, as originated in the Moving Ahead for Progress in the 21st Century Act (MAP-21). This legislative loophole has led to a significant rise in the number of inter-program transfers, and many states are taking advantage of these policy changes to disinvest from the program. While some states have spent transferred funds on TA-eligible projects, many more do not track the final project designation, or they use funds for road construction. Nevertheless, the fact that \$1.5 billion has been transferred since 2012 is staggering and reflects the prioritization of roadway projects over walking and biking infrastructure, though these TA eligibilities have a stronger return on investment.

In 2020, \$152 million was transferred as part of the inter-program transfers, while only \$16 million was due to inter-agency transfers that ultimately build TA-eligible projects.

Over the last four years, 12 states have lapsed \$46 million in TAP funding that cannot be regained. States could simply obligate funds to prevent lapsing from occurring—the \$46 million in TAP funding that has lapsed reflects neglect on the part of state departments of transportation (DOTs).

While no rescissions have taken place since 2017, rescission rates per state can be considered a reflection of a state's historically low obligation rates leading to a buildup of unobligated funds over many years—a buildup too high to fully obligate, leading to more funds being swept via a higher rescission. Disappointingly, states did not take advantage of the FAST Act's repealed rescissions to continue diligently obligating funds to ensure they are used for the intended purpose. Retaining high unobligated balances could lead to funding vulnerabilities in future years.

Taken together, inter-program transfers, lapsing and rescissions represent a collective "leaky bucket" exacerbated by MAP-21 and continued in the FAST Act, providing holes through which TE/TAP/TASA funds can be lost or used for non-eligible projects (e.g., building highways).

Reflecting on 29 Years

Over the last 29 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.

While the number of transfers in the “leaky bucket” is slightly lower in FY 2020 than in previous years, the trend of disinvestment from TA is worrying. To maintain funding and to continue prioritizing active transportation improvements, states will need to continue obligating funds at increased levels.

Fiscal year 2020 represents the 29th year of funding apportioned to the TE/TAP/TASA program. In that time, the program has obligated more than \$14.63 billion for over 40,000 projects across the country to create more infrastructure for walking and biking, preserve historic transportation assets, protect environmental assets and more. In light of the COVID-19 pandemic and its aftermath, communities continue to reflect on the transformative power of these investments: safer streets for all users, more protected bicycle lanes, more multi-use pathways and trails, streetscaping that invites foot traffic and livelier main streets.

Looking Ahead

As Congress prepares to pass a transportation reauthorization, the last decade of funding and trends provides particularly useful information to improve the state of “transportation alternatives” in FY 2021 and the years ahead. Since the inception of dedicated Transportation Alternative programs, states have been able to make smart investments in trails, walking and biking with strong, proven returns, creating jobs and improving access to both recreation and active transportation opportunities.

The effects of the COVID-19 pandemic in the United States have shown that building safe places for walking and biking has never been more important. Now, Congress and the new administration have the once-in-a-generation opportunity to provide funding for infrastructure that enhances the vitality of communities—creating streets and public spaces where people want to be and can safely and easily navigate by bicycle, foot or wheelchair. By enacting legislative changes that plug the “leaky bucket” and encourage states to actively obligate funds on TA-eligible projects, Congress can ensure the next generation of TA dollars matches the innovation and potential of ISTEA when the program first began.

The FAST Act is currently scheduled to sunset at the end of FY 2021. Continuation of Transportation Alternatives has increased access to safe and convenient walking and biking facilities across the country, but demand has outstripped supply, and many more places have plans for connected active-transportation systems that require more concentrated funding than current programs can provide. In reauthorizing the FAST Act, Congress must take bold steps to meet the burgeoning demand and changing mobility needs by increasing and diversifying the sources of funding to support safe and convenient walking and biking networks.

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>.



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