RAILS TO Trails conservancy

Transportation Alternatives Spending Report

FISCAL YEARS 1992–2024

PREPARED BY TRANSPORTATION ALTERNATIVES DATA EXCHANGE (TRADE)
THIS REPORT SUPERSEDES ALL PREVIOUSLY PUBLISHED EDITIONS.

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About TrADE

The Transportation Alternatives Data Exchange (TrADE) is operated by Rails to Trails Conservancy (RTC). 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" (TE), the Recreational Trails Program (RTP) and the Safe Routes to School (SRTS) 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 RTC and the Federal Highway Administration (FHWA).

For more information, visit **trade.railstotrails.org**.

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Data for this report come from FHWA's Financial Management Information System (FMIS) and from state departments of transportation (DOT) staff. This report utilizes early data from FMIS and may differ slightly from final federal reports. This publication would not be possible without information provided by staff from state DOTs to the TrADE team. 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.

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Executive Summary

The Transportation Alternatives Set-Aside (TASA) is the largest dedicated source of funding for trails, walking and bicycling in the United States. Since 1991, this program, formerly known as Transportation Enhancements (TE), has transformed the landscape of the country. While projects in several categories (including eligibilities such as historic preservation and highway beautification) are eligible for funding from this program, the consistent leading priority in TE/Transportation Alternatives (TA) investment since the program's inception has been the improvement of conditions for walking and bicycling. In large part due to this dedicated funding, the United States now boasts more than 42,500 miles of multiuse trails and thousands of improved street facility projects that support biking and walking. Investment in active transportation infrastructure—such as sidewalks, bike lanes and trail networks—increases mobility choices, improves safety, creates strong, connected communities, provides economic opportunities and job creation, and saves money from health benefits.

The impact of TASA has grown substantially with changes initiated by the Infrastructure Investment and Jobs Act (IIJA), passed by Congress in November 2021. In addition to increasing the funding for TASA by an average of 70% over the course of five years, this vital funding is less likely to be diverted to unrelated purposes as IIJA constrains inter-program transfers. This restricts the loopholes that over the previous decade prevented TA funding from reaching its maximum potential.

Since the inception of TE, passed in 1991, through its transformation into TA in 2012, Rails to Trails Conservancy (RTC) has monitored for more than 30 years how these funds have been invested and the projects that have been built. This annual "Transportation Alternatives Spending Report" is an important tool for states, regions and active transportation professionals to understand and strengthen the program, thus improving the efficiency and impact of the investments made.

In this report, we provide a look at the history of TA programs and examine how recent changes are supporting state and local decision-makers and advocates in getting eligible projects funded.

- A total of $1.36 billion was apportioned to the states for the TA program in fiscal year (FY) 2024, in contrast to $1.33 billion in FY 2023.
- A total of $1.09 billion was obligated to TA projects in FY 2024, in contrast to $4.9 billion in TA application requests in FY 2023.
- The FY 2024 inter-program transfer rate (TASA funds being moved away from the TASA program and into other projects) was 18.4% compared to 6.4% in FY 2023.
- Obligation rates were 80% of apportioned funds, up from 62% in FY 2023. This increase represents a substantial leap in program delivery now that states have hit their stride in implementing IIJA reforms.
- Approximately $1.5 billion of TE/TA/TASA funds was reimbursed in FY 2024, marking the completion of projects and the return of up-front funds to local communities.

WHAT WE MEAN BY TRANSPORTATION ALTERNATIVES (TA)

(A Note on the Difference Between TE, TAP and TASA)

Transportation Enhancements, or TE, was the first dedicated source of federal funding for walking and biking. 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. Under ISTEA, Congress created TE, and ensured that funding would be available for bicycle and pedestrian transportation and for the preservation and enhancement of many of the nation's scenic and historic assets.

The Transportation Alternatives Program, or TAP, was the next iteration of TE. The Moving Ahead for Progress in the 21st Century Act, known as MAP-21, was signed into law in 2012 with legislative language that recast many of the TE activities as Transportation Alternatives (TA). MAP-21 also consolidated the Safe Routes to School (SRTS) program and the Recreational Trails Program (RTP) to create TAP.

The Transportation Alternatives Set-Aside, or TASA, was the next iteration. The Fixing America's Surface Transportation Act, or FAST Act, was signed into law in 2015, eliminating TAP and replacing it with a set-aside of Surface Transportation Block Grant (STBG) program funding for TA. Eligible uses for these set-aside funds include all projects and activities previously eligible under TAP.

The difference between TAP and TASA is the structure by which funds are delivered. Under TAP, the funds came through a stand-alone program, and with TASA, the funds are a set-aside of the STBG program. This was a return to prior norms. Before MAP-21, TE had been funded as a Surface Transportation Program set-aside.

In this report, Transportation Alternatives, or the acronym TA, refers to the projects within the categories of eligibility, regardless of the delivery mechanisms for these funds. TA, therefore, encompasses both the stand-alone program (TAP) of MAP-21 and the set-aside (TASA), which began with the FAST Act.

Introduction

The passage of the Infrastructure Investment and Jobs Act (IIJA) in 2021 was an important milestone for trails, walking and biking infrastructure in the United States. The legislation restores funding that will help communities across the nation accelerate the progress of the last several decades in making our country a safer place to walk and bike. Building on the solid foundation of Transportation Alternatives (TA) funding and projects—including Transportation Enhancements (TE), the Transportation Alternatives Program (TAP) and the Transportation Alternatives Set-Aside (TASA)— IIJA increases the amount of funding available in the program overall. In addition, IIJA attempts to mitigate the most problematic aspect of TASA, which has been inter-program transfers. These changes to TA restore funding and are vital to creating and completing active transportation networks while also ensuring a broader distribution in the funding and development of TA projects. This is a crucial time for states to take advantage of new opportunities for funding TA projects. See Figure 1 for details.

FIGURE 1: TRANSPORTATION ALTERNATIVES KEY MILESTONES: FROM ISTEA TO IIJA

1991

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. Under ISTEA, Congress created Transportation Enhancements (TE) to ensure that funding would be available for bicycle and pedestrian transportation as well as for the preservation and enhancement of many of the nation's scenic and historic assets.

2012

Two decades and three reauthorizations after ISTEA was introduced, the Moving Ahead for Progress in the 21st Century Act (MAP-21) was signed into law. The law included language that recast many of the TE activities as Transportation Alternatives (TA), and the law created the Transportation Alternatives Program (TAP) as a funding umbrella for TA, Safe Routes to School (SRTS) and the Recreational Trails Program (RTP).

There was a 30% decrease in overall funding in MAP-21. The legislation also allowed states to transfer up to 50% of their TA funding available for use across the state to other Federal-aid Highway Program (FAHP) projects, which doubled the percentage of transfers allowed under the preceding bills.

2021

After nine years under MAP-21 and its successor, the Fixing America's Surface Transportation (FAST) Act, which largely maintained the status quo for the program, the Infrastructure Investment and Jobs Act (IIJA) was passed by Congress. This legislation provides states with a nearly 70% increase to TA on average over the next five years and a new opportunity to help meet the unprecedented demand for trails, and other walking and biking infrastructure. IIJA also limits transferability out of TA; allows states to use up to 5% of their TA funds for technical assistance programs and program administration; and provides states with flexibility to average match requirements across the state, as opposed to requiring each project to meet the 20% federal match requirement.

COMMON ABBREVIATIONS USED IN THIS REPORT

ARRA: *American Recovery and Reinvestment Act*

CMAQ: *Congestion Mitigation and Air Quality*

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*

IIJA: *Infrastructure Investment and Jobs Act*

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*

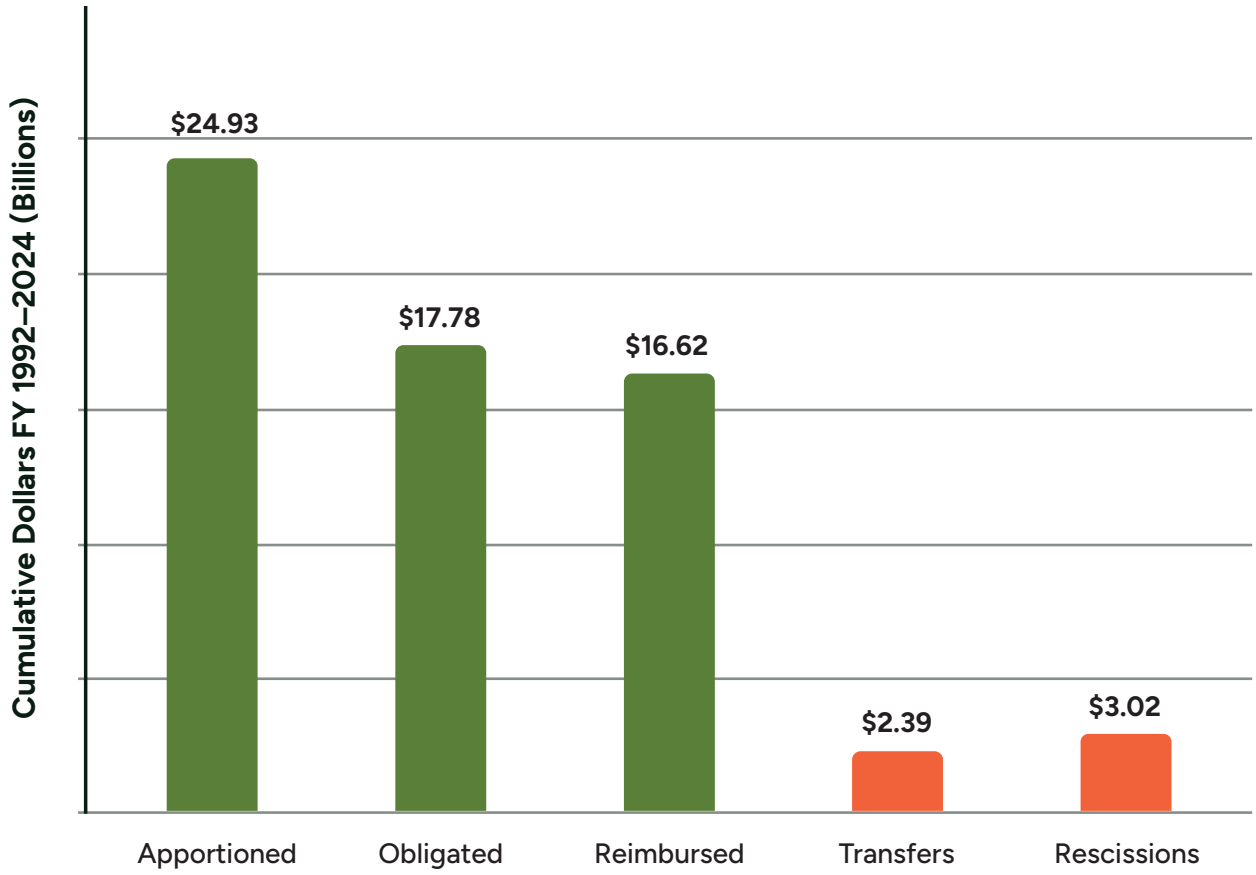
USDOT: *U.S. Department of Transportation*

SPENDING ANALYSIS

From fiscal year (FY) 1992 through FY 2024, Congress apportioned $24.93 billion to the states for TE, TAP and TASA projects, as shown in Figure 2. During that time, approximately $2.39 billion was lost to transfers and another $3.02 billion was lost to rescissions. The Transportation Alternatives Data Exchange (TrADE) national project database shows that state departments of transportation (DOTs) have programmed a cumulative total of 41,522 TE/TAP/TASA projects from FY 1992 through FY 2024. (This does not include canceled projects or projects with no federal money.) A financial summary for FY 2024 follows in Figure 3.

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 obligations demonstrate the Federal Highway Administration's (FHWA's) commitment to reimburse states for the federal share of the cost of selected projects, and reimbursements are the final stage of the project funding cycle. The cumulative obligation rate for TE/TAP/TASA (FY 1992 to FY 2024) is 71.3%. The cumulative reimbursement rate for TE/TAP/TASA (FY 1992 to FY 2024) is 67%. This means that the vast majority of obligations progress to reimbursement.

FIGURE 2: CUMULATIVE TE/TAP/TASA FINANCIAL SUMMARY, FYS 1992–2024



LESSONS FROM FY 2024

FY 2024 was the third year of the IIJA implementation. States are using available remaining TAP funds from previous funding bills while concurrently using available TASA funds. Because of the increase in overall funding available through IIJA, there is substantially more funding available within TASA. This report gives an indication of how states are responding to this increase in the TA program. One thing is clear: Because of the increased funding, many states are making significant progress on the backlog of active transportation projects. To account for the increase in the overall apportionment, states have obligated funds at increased levels.

One of the most notable changes is that inter-program transfers are restricted under IIJA. For FY 2022, the FHWA prohibited such transfers and, beginning in FY 2023, transfers were limited to instances where states demonstrate to FHWA that demand for TASA-eligible projects is insufficient. After nearly a decade of a high number of transfers, this policy change in IIJA limits the use of TASA funds outside the authorizing legislation's original intentions, which will greatly benefit trail, walking and biking projects.

During FY 2022, there was $0 in inter-program transfers due to the complete prohibition of such transfers. FY 2023 saw five states approved by FHWA for inter-program transfers, totaling $85 million. This is approximately 50% of the inter-program transfer rate from FY 2021, showing that IIJA is reducing the amount of this vital funding being diverted to unrelated purposes but does not completely restrict the loopholes that over the past decade have prevented TA funding from reaching its maximum potential. During FY 2024, 12 states were approved by FHWA for inter-program transfers totaling $250,317,066. This steep increase in transfers raises concerns that the IIJA reform is falling short of Congress' intention to tightly limit the practice. We examine this trend in detail on pages 27 and 28.

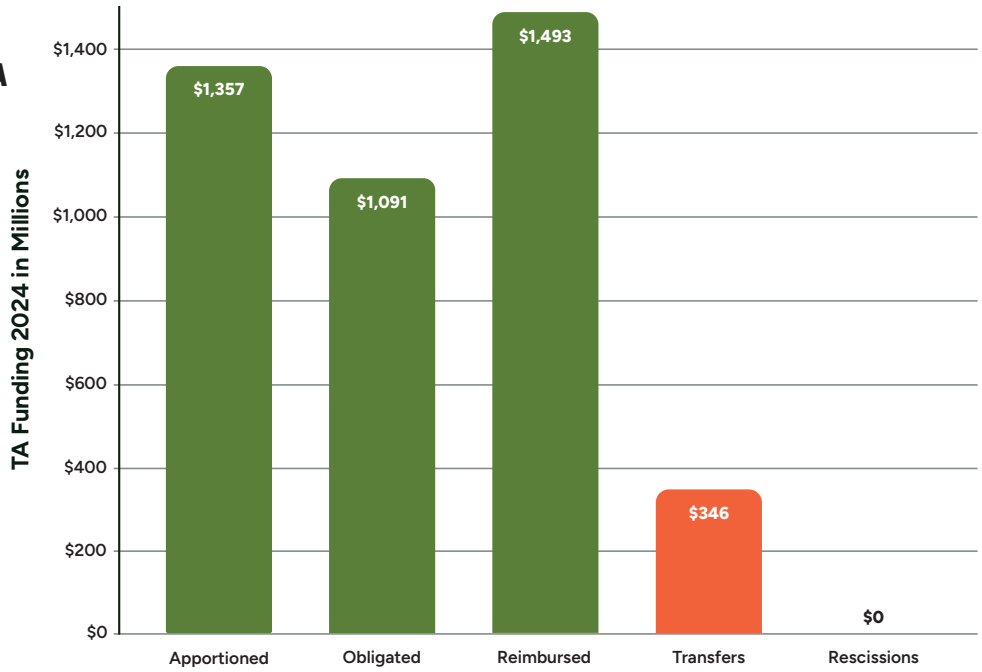
CUMULATIVE IMPACT AND UNMET DEMAND

Over more than 30 years, the TA program has obligated more than $17.78 billion for more than 40,000 projects across the country, including creation of infrastructure for walking and biking; preservation and rehabilitation of historic transportation facilities such as rail trestles, tunnels and bridges; stormwater mitigation; and more.

Communities of all sizes and across diverse geographies are using the transformative power of these investments now more than ever. Rural communities seek more investment in active transportation projects as they plan multiuse trails and other facilities that improve economic development through recreation and tourism and create more positive health outcomes in the communities. Streetscaping invites foot traffic and enlivens main streets, creating economic opportunities for small towns. In urban and suburban areas, there is burgeoning demand for safe streets for all users, protected bicycle lanes, multiuse pathways and trails, and other facilities that connect these communities to essential resources including food, health care, jobs and education and improve economic vitality.

Despite the increase in overall apportionment through IIJA, the available funds are not keeping up with the demand. For comparison, roughly four times the amount of allocated funds was requested through TA applications.

FIGURE 3: TE/TAP/TASA FINANCIAL SUMMARY, FY 2024



AMBITIOUS PROJECTS FOR CONNECTIVITY

Communities across the country are eager to develop interconnected active transportation networks. By providing safe routes to the places people want to go, these projects transform communities by improving safety, public health, economic and mobility outcomes. Achieving active transportation network connectivity multiplies benefits but is ambitious, requiring focused and strategic investment that prioritizes filling critical gaps in existing infrastructure. Here's the hitch: Even with the increase in funding through the Infrastructure Investment and Jobs Act (IIJA), the pipeline of projects needed to complete these networks far exceeds current funding allocations. Transportation Alternatives (TA) funding is foundational for trail, biking and walking projects. In fact, many of these active transportation networks are based on infrastructure that exists because of TA funding. But in order for these networks to proceed from plans to reality, and for communities to reap the benefits, resources will increasingly need to be prioritized to ensure that people walking and biking can get where they want to go safely and conveniently. Since the passage of the IIJA in 2021, billions of dollars have been invested in trails and in linking these spaces to create robust, connected active-transportation networks. These investments are what is needed to realize the full potential of trails to bring transformative benefits to people who live in all types of communities.

Several states are increasing the maximum size of their project awards due to the increase in funding through IIJA and are focusing on connectivity in their project awards. Average award size is also increasing across states. The average award size is now $1.79 million. States should consider that a large-scale project category can contribute to connectivity.

Texas created a large-scale bicycle and pedestrian project category. The awarded amounts are around $5 million to $25 million. Large-scale projects may include high-impact projects that substantively improve mobility options such as long-distance active transportation routes, comprehensive or areawide accessibility improvements, active transportation connections to intermodal hubs, shared-use paths in rail or utility corridors, and improvements that mitigate barriers to bicycling and walking. Large-scale projects may be composed of multiple elements that work together to create a connected network. In the last funding cycle, 56% of Texas' overall awarded funds were for large-scale projects.

IIJA REVIEW

There were several impactful policy changes to TA in IIJA, which Congress passed in November 2021. IIJA authorizes significantly more money for TA over the course of five years, and the law contains several critical policy changes that will help to ensure program success and equitable access to funds.

MORE FUNDING AVAILABLE

IIJA provides states with a nearly 70% increase to TA on average over the next five years, restoring the buying power of the program after cuts nearly a decade prior and creating a new opportunity to help meet the unprecedented demand for trails and for other walking and biking infrastructure. A total of $1.36 billion was apportioned to TA projects in FY 2024, in contrast to $1.33 billion in FY 2023. With annual increases each year under IIJA, by FY 2026 the annual apportionment will be $1.49 billion.

State DOTs as well as metropolitan planning organizations (MPOs) have adjusted to increased funding levels and rules as evidenced by a marked increase in obligation rates in FY 2024 to 80%, a key metric for delivering on the program's promise.

LIMITS ON TRANSFERS

The newest iteration of TA requires states to conduct a competitive process before transferring funds out to other programs and did not allow for any inter-program transfers in FY 2022. TrADE data from previous years showed the negative impact of transfers, which resulted in $2.2 billion being transferred out of TA for other uses since FY 2012. This loophole, which hampered the program's effectiveness for the decade prior to IIJA, was addressed by Congress in IIJA with process restrictions on transfers, promising a return to a clear expectation that TA funds should be used for TA eligibilities. States are now expected to run competitive grant programs to obligate TA funds for TA-eligible projects. A notable increase in transfers in FY 2024 despite this requirement suggests a need for greater transparency and accountability to ensure that waivers from the restriction are not used to circumvent the core expectation that TA funds be used for eligible purposes.

INTERAGENCY VS. INTER-PROGRAM TRANSFERS

There are two types of transfers of Transportation Enhancements/Transportation Alternatives Program/ Transportation Alternatives Set-Aside (TE/TAP/TASA) funds: interagency and inter-program transfers.

Interagency transfers: Interagency transfers are a frequently used mechanism in which TE/TAP/TASA funds from a state department of transportation are transferred to federal agencies to administer projects. In Western states, the federal government directly maintains a large amount of land; thus, transfers to the U.S. Forest Service (USFS), Bureau of Land Management (BLM) or National Park Service (NPS) to administer projects are not uncommon. Since interagency transfers must still be used for TE/TAP/TASA-eligible projects, this type of transfer is encouraged because funding allocated for TE/TAP/TASA is used in alignment with its intended purposes.

Inter-program transfers: 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. Inter-program transfers are often problematic because the funds intended for TE/TAP/TASA use are redirected for a use that is out of alignment with the intended purposes. The Infrastructure Investment and Jobs Act (IIJA) narrowed this decade-old loophole, but concerns are growing about the sufficiency of that change. No inter-program transfers occurred in fiscal year (FY) 2022 because the Federal Highway Administration (FHWA) declared a moratorium. In FY 2023, the moratorium was lifted, and five states were approved by FHWA for inter-program transfers totaling $85,517,446. In FY 2024, 12 states were approved for inter-program transfers totaling $250,317,066.

TECHNICAL ASSISTANCE

States may now use up to 5% of their annual TA allocation to “provide technical and application assistance” and to offset administrative costs of TA. As states are in the third year of IIJA, more states are implementing technical assistance using TA funds.

Montana provides technical assistance for communities with a population of less than 5,000 or a Tribal community. The funding is available to hire an engineer to help them with their application for costs up to $5,000 as these are the communities that typically don’t have any engineers on staff to help them be competitive in developing an application.

Historically, Michigan has generally only funded construction with TA funds. Michigan is conducting a pilot program for technical assistance. TAP funds are awarded to perform trail feasibility analysis, build local capacity and have an engineering consultant create the minimum documentation required for communities to apply to TAP for future construction applications. A playbook will be created to apply this kind of work to low-capacity areas in the future.

Virginia used technical assistance funds to hire a contractor to assist 19 localities in preparing to apply for Transportation Alternatives funding.

More states are using the funds to develop TA program materials and provide assistance to eligible applicants in identifying projects, defining the scope and cost of projects, and preparing applications. These funds are providing essential resources to ensure applicants have the support they require to effectively address active transportation needs in their communities.

MATCH ASSISTANCE

A change to the matching requirement could provide relief for communities struggling to meet the often-elusive matching dollars to unlock TA. Previously, states were required to meet a 20% match for all projects. The new law now allows states to average a 20% match across their full portfolio of TA projects.

In addition to taking advantage of the match flexibility to adjust match rates based upon community needs and access to capital, several states are providing match assistance, sometimes making the project 100% funded. Match is one of the most often cited barriers to successfully accessing federal funds for active transportation projects.

California and Florida are examples of states that require no matching funds for all TA projects. California uses a combination of state and toll credits to provide match assistance. Florida uses toll credits as well.

Rural communities often struggle with match requirements. Alaska has a sliding scale for match. Over 50% of Alaska is unincorporated, and match waivers are provided to these communities on a case-by-case basis. This match waiver is typically paid with state funds. Kansas uses a dedicated state fund for pedestrian and bicycle transportation projects to assist rural and low-population communities with their required match.

More states are seeking to reduce the barriers to mobility, access, community connectivity and economic development that rural and small communities face by providing match assistance.

States are now able to use funds from sources like the Highway Safety Improvement Program (HSIP) and the Carbon Reduction Program (CRP) to match federal TA funding, and certain states are beginning to take advantage of this flexibility.

For example, in Ohio, the Office of Local Programs, in its goal to offer this blended-funding option, partnered with the Office of Transportation and Economic Development to fund TAP and carbon reduction (CR) projects that have eligible safety components at 80% federal TAP funding and 20% federal safety funding. Both sidewalk and multiuse trail projects are funded using this new opportunity.

Kansas will use HSIP funds as a match on projects that meet certain criteria, e.g., disadvantaged census tract, population less than 5,000 people, located on a high-risk network, or includes crash modification factors, etc., to improve safety.

Combined with new or increased technical assistance programs, communities that may have previously struggled to meet the TA matching requirement may become more able to access funds to improve the safety, public health and economic benefits that active transportation provides to their residents.

Match is discussed in more detail later in the report under the “Average Federal Awards and Match Rates” section.

ADDITIONAL TA CHANGES

Among additional policy changes in IIJA were updates to suballocations—the process through which MPOs serving populations of 200,000 or more people are given responsibility for a share of TA. This portion of funds increased from 50% to 59%. See Figure 4 for details.

The guidance also clarifies that TA may be used for trail maintenance in the same manner as the Recreational Trails Program (RTP). With many aging trails requiring maintenance, local communities struggling to fund maintenance and a 70% increase in TA funds, states should consider funding a specific category for maintenance.

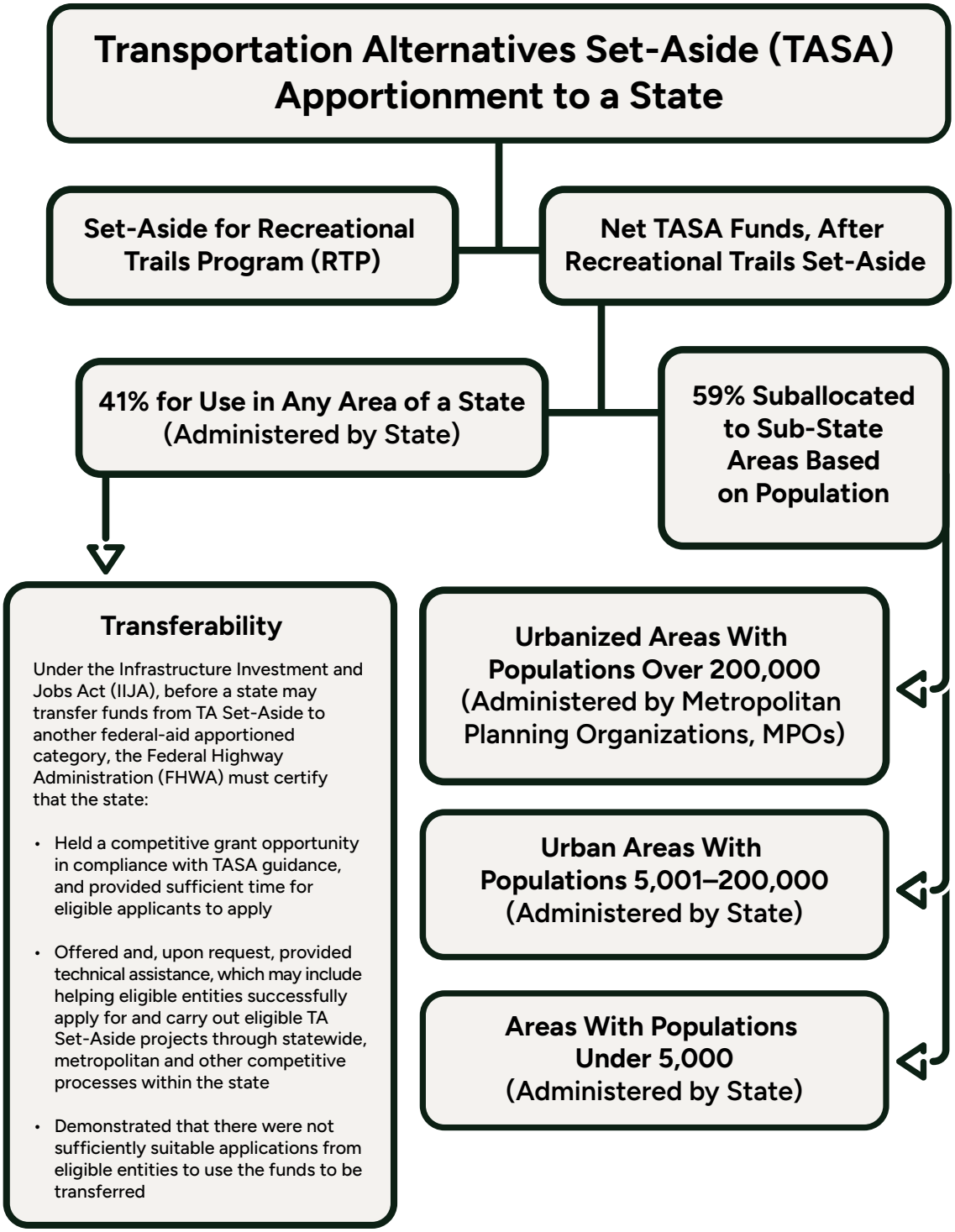
There are multiple states using TA funds for trail maintenance. Examples include Montana's Pavement Preservation category that is for maintaining existing bike paths.

While Arkansas does not have a specific maintenance category, the state will fund trail maintenance if the applicant applies for it. In FY 2023, Arkansas funded maintenance for the International Mountain Biking Association's EPICS trail maintenance project.

In FY 2024, Maryland's Transportation Alternatives Program awarded funds to repair and rehabilitate 11 miles of Chesapeake & Ohio Canal National Historical Park (C&O Canal Towpath) surface along miles 173 to 184 in Allegany County, improving towpath safety and accessibility.

In Delaware, a small funding measure helps underwrite trail planning, as well as trail crew, materials and exhibit planning, for the state's Department of Natural Resources and Environmental Control (DNREC) RTP projects.

FIGURE 4: DISTRIBUTION OF TRANSPORTATION ALTERNATIVES SET-ASIDE FUNDS WITHIN STATES



Transportation Alternatives Eligibilities

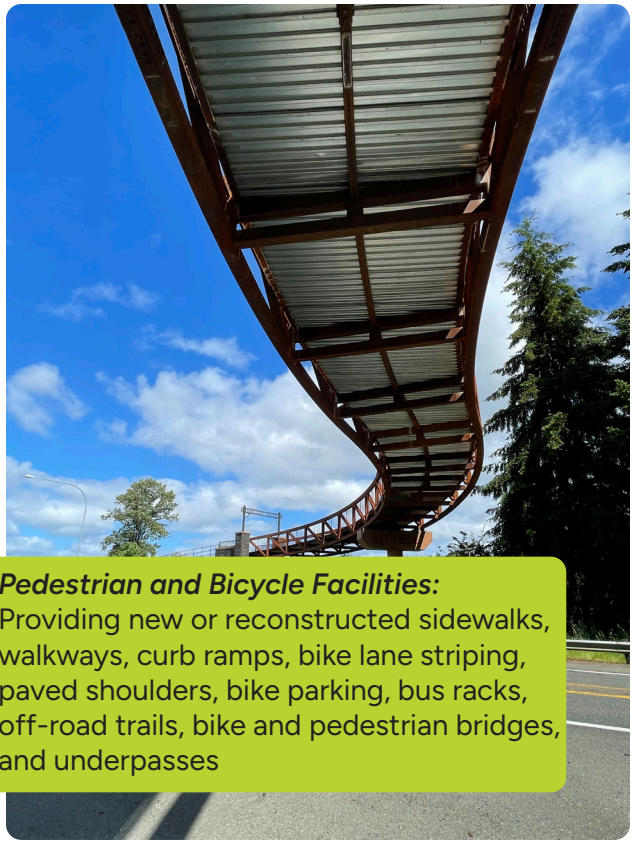
A Transportation Alternative (TA) is any activity related to surface transportation that fits one or more of these 10 categories. In addition, projects eligible under the Recreational Trails Program (RTP) and Safe Routes to School (SRTS) program qualify.

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

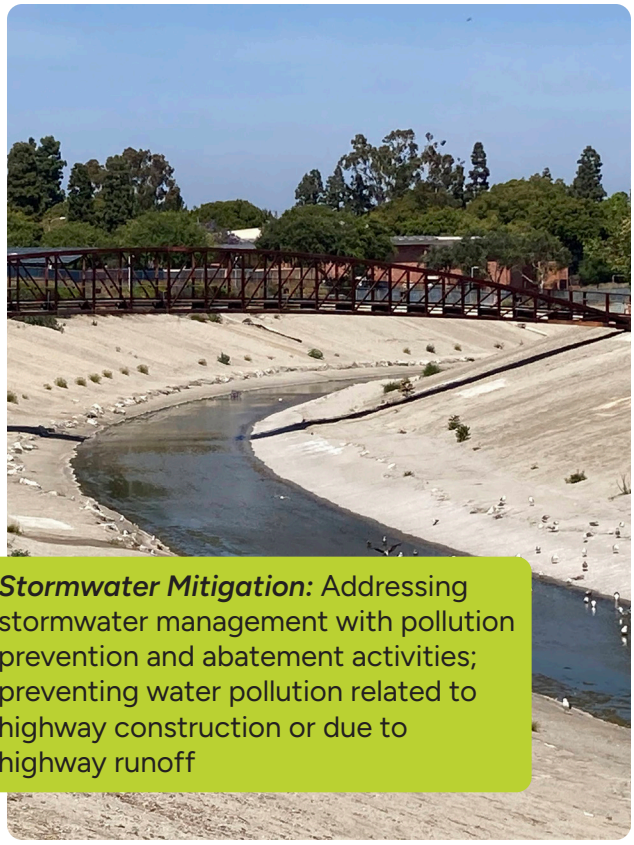
Scenic Turnouts and Overlooks: Construction of scenic turnouts, overlooks and viewing areas

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

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



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



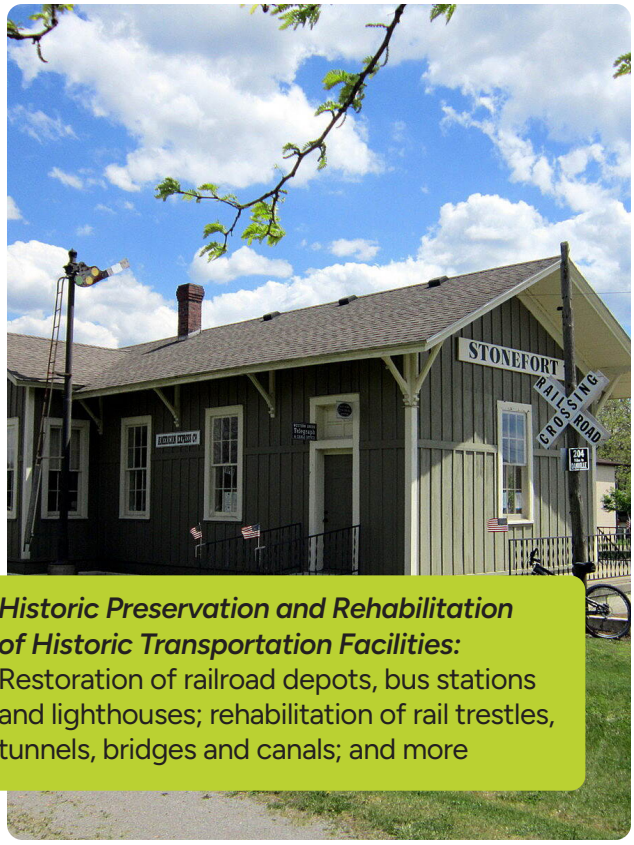
Stormwater Mitigation: Addressing stormwater management with pollution prevention and abatement activities; preventing water pollution related to highway construction or due to highway runoff

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

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

TRANSPORTATION ALTERNATIVES ELIGIBILITIES

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



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

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

Updating the TrADE Database

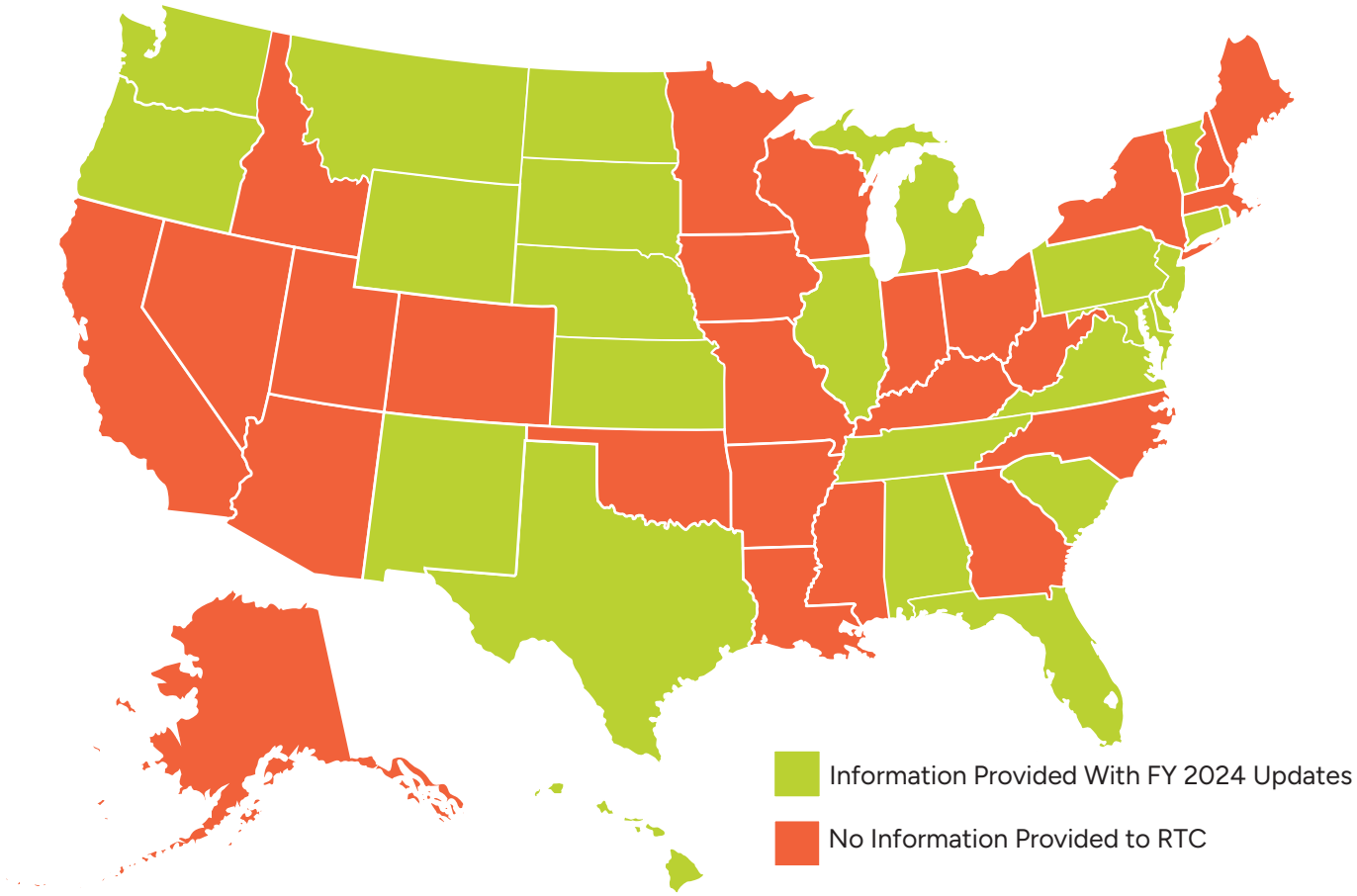
The Transportation Alternatives Data Exchange (TrADE) database is a unique asset that is exclusive to Rails to Trails Conservancy (RTC) and provides valuable insight into the implementation of the program as it is the only existing repository for information on Transportation Enhancements (TE), Transportation Alternatives Program (TAP) and Transportation Alternatives Set-Aside (TASA) projects nationwide. This report uses data collected and maintained by TrADE, previously known as the National Transportation Enhancements Clearinghouse (NTEC), at RTC. Beginning in 1993, RTC developed a database of funded TE projects by 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 April 2025.

Data for this report come from 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. This report utilizes early data from FMIS and may differ slightly from final federal reports. States are required to report obligations and reimbursements through FMIS. Additionally, state DOTs provide TrADE with project data, including project name, activity type, location and funding levels. This allows analysis of the distribution of funding by federal category and of 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 in promoting best practices.

The TrADE database maintained by RTC has a national list of programmed TE, TAP and TASA projects and contains 41,522 projects selected from FY 1992 to FY 2024. The database also contains 614 programmed projects for future years (FY 2025 to FY 2030). Combined, the list contains a total of 42,136 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 **rtc.li/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 for this report, 25 states provided updated programming information, as shown in Figure 5.

For more on the historical differences between the various Transportation Alternatives (TA) funding mechanisms between 1992 and 2024—including Transportation Enhancements (TE), the Transportation Alternatives Program (TAP) and the Transportation Alternatives Set-Aside (TASA)—go to page 3.

FIGURE 5: STATE PARTICIPATION



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 years (FYs) 1992 through 2024. 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.

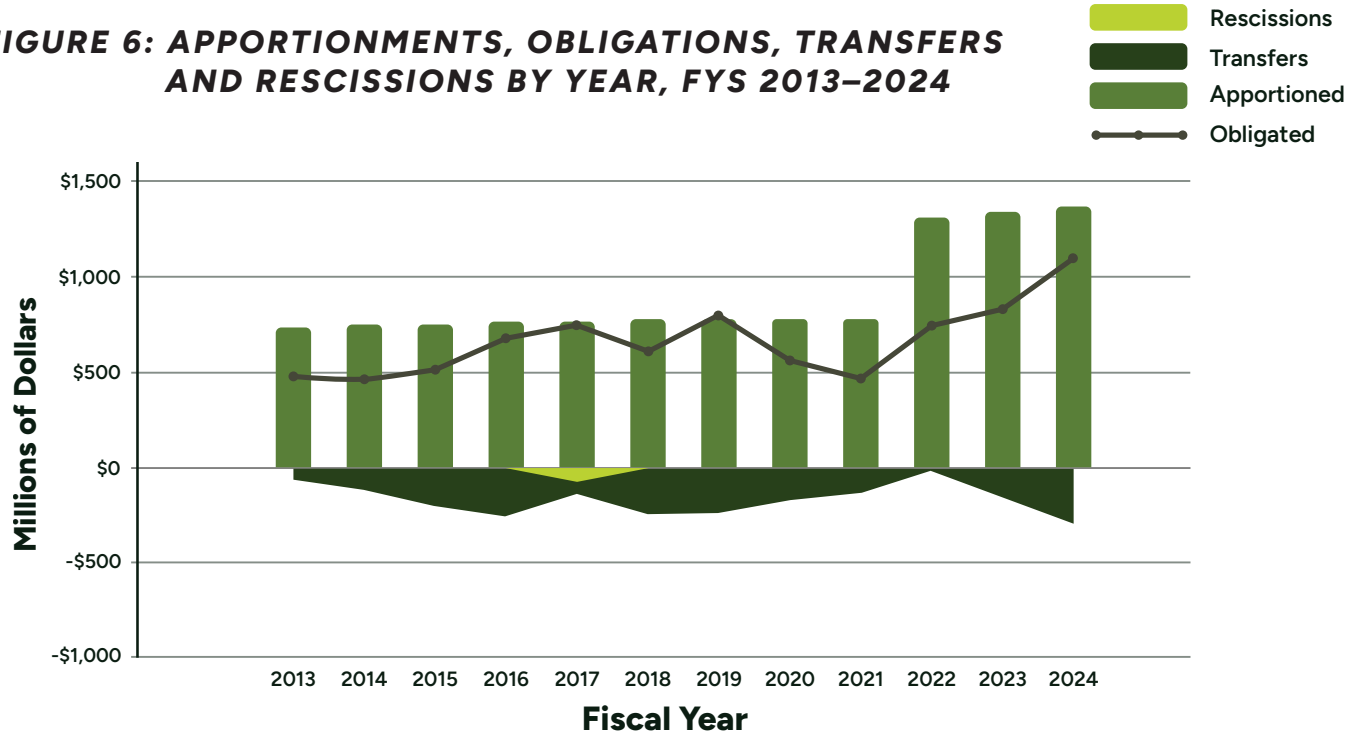
The key steps of this cycle are:

- **Apportionment:** FHWA apportions funds to each state, as determined by a formula in the federal legislation. Under the Infrastructure Investment and Jobs Act (IIJA), 59% is suballocated to areas within a 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 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.

Available funding amounts 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. Lapsing applies to Moving Ahead for Progress in the 21st Century Act of 2012 (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 6 shows a national overview of the funding amounts by phase from the last decade (FY 2013 through FY 2024).

FIGURE 6: APPORTIONMENTS, OBLIGATIONS, TRANSFERS AND RESCISSIONS BY YEAR, FYS 2013–2024



APPORTIONMENTS

Apportionment is the first step of the funding process, where funds are distributed across the country. From FY 1992 through FY 2024, TE, TAP and TASA apportionments included the following:

- **TE:** Over the 21 years (FY 1992 through FY 2012) of TE, the cumulative apportioned funding provided to states was $14.27 billion. The remaining unobligated balance is $46.5 million. States had the ability to deobligate and reobligate funding for projects, which reset the period of fund 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.
- **TASA:** Over the nine years (FY 2016 through FY 2024) of TASA, cumulative funding apportioned to states was $8.46 billion. This does not include $85 million off the top for the Recreational Trails Program (RTP) for each of the five years of the Fixing America's Surface Transportation (FAST) Act of 2015.
- **TE + TAP + TASA:** The cumulative apportioned funding for TE, TAP and TASA (FY 1992 through FY 2024) is $24.93 billion.

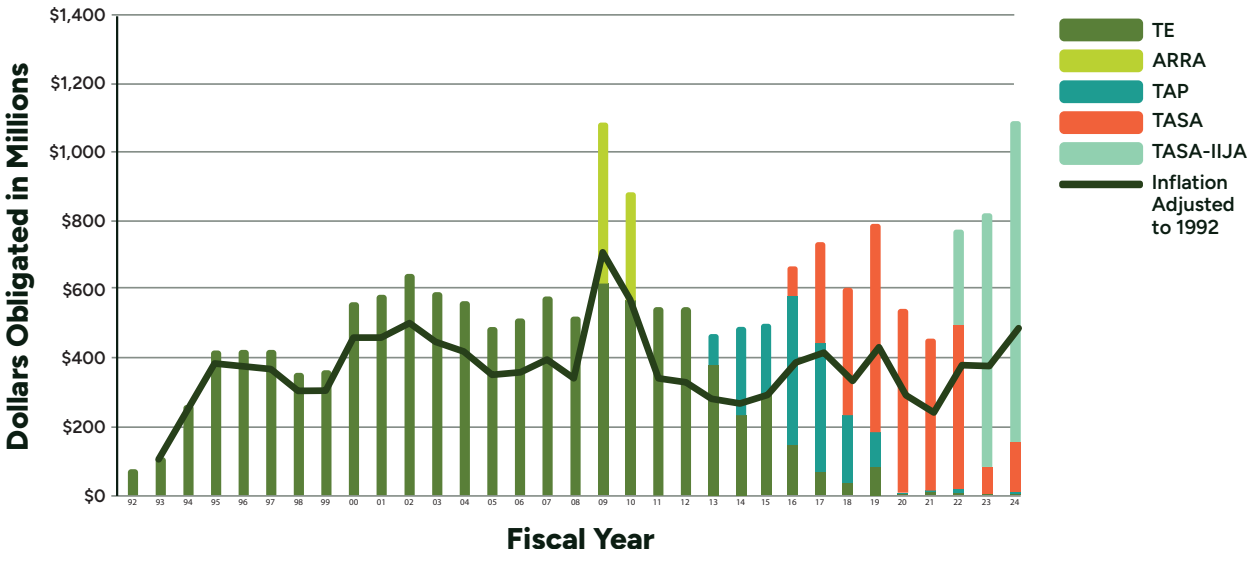
OBLIGATIONS

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. Of note, the highest obligations occurred in FY 2009 because of American Recovery and Reinvestment Act (ARRA) dollars being used in addition to TAP funds.

An inflation adjusted trend line demonstrates that while FY 2024 obligations were similar to the amount obligated during FY 2009, inflation has eroded the purchasing power of those dollars. Obligations will need to significantly increase to meet the purchasing power of peak obligations in FY 2009.

FIGURE 7: TE/TAP/TASA OBLIGATIONS BY YEAR, FYS 1992–2024



OBLIGATION RATES BY FISCAL YEAR

This report analyzes obligation rates in two ways. The first method is to compare cumulative obligation rates to cumulative apportionments. 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 more than 30 years, 71.3% of apportionments have been obligated on TE/TAP/TASA projects nationwide.

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 as of FY 2024. This amount shows how much of the year's apportionment has been obligated. This amount varies over time for a number of reasons, including that some states do not obligate funds every year.

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.

Unobligated Funding: FY 2024 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 2024 was $3.97 billion compared to the FY 2023 figure of $3.44 billion. State-specific unobligated balances at the close of FY 2024 are reported in Table 1.

- **TE:** During FY 2024, $2.78 million in TE funds was obligated, a decrease from FY 2023 ($4.12 million). The unobligated TE balance was $162 million, down from $168 million the year prior. As noted previously, the unobligated TE balance will continue to fluctuate as states deobligate and reobligate funds.
- **TAP:** In FY 2024, $5.2 billion in TAP funds was obligated, compared to $1.6 billion in FY 2023. The unobligated TAP balance was $20.7 million, down approximately $4.6 million from FY 2023's unobligated balance of $25.3 million.
- **TASA:** For FY 2024, the national obligation amount for TASA was $1.08 billion, down from $2.9 billion in FY 2023. This indicates that last year, states were focused on using remaining TE and TAP funds as well as obligating newer TASA funds. A total of $3.8 billion was unobligated in FY 2024 compared to $1.1 billion unobligated in FY 2023.
- **TE + TAP + TASA:** In FY 2024, the combined obligation rate for TE, TAP and TASA was 80%, an increase from 62% in FY 2023. From FY 2021 to FY 2022, the rates remained consistent at 59.9%. One possible explanation for the marked increase in obligations this fiscal year is that we are in the third year of the new authorization under the IIJA, which significantly changed the administration of the TA program. States took time during the first year of IIJA to understand the new requirements and determine how to implement them in their programs. Many states have a two-year award cycle. States may have projects in the pipeline, but they may not have obligated funds in FY 2023. In those cases, we expected to see an increase in obligations in FY 2024, which is what the data clearly show.

TABLE 1: UNOBLIGATED FUNDS AS OF FY 2024

State	2024 Apportionment	Obligation Rate (Obligat./ 2024 Apportionment	Total Available Remaining	Obligat./Total Avail. Remaining	TE Unobligated Balance	TAP Unobligated Balance	TASA Unobligated	TASA-IIJA Unobligated
Alabama	$28,146,023	100.4%	$114,710,507	19.6%	$0	$0	$13,507,391	$72,931,481
Alaska	$9,959,368	180.2%	$44,871,034	10.6%	$106,284	$1,268	$3,365,529	$23,451,309
Arizona	$28,064,954	88.2%	$123,536,511	6.4%	$2,166,899	$938,697	$27,633,496	$68,049,841
Arkansas	$17,790,463	91.3%	$75,850,597	8.3%	$542,524	$0	$4,871,877	$54,193,904
California	$122,945,032	61.4%	$481,111,298	17.3%	$37,466,409	$4,865,858	$119,092,337	$244,242,051
Colorado	$19,229,276	84.5%	$64,610,630	20.8%	$0	$0	$12,774,048	$35,588,967
Connecticut	$15,264,120	69.2%	$49,512,997	9.8%	$961,832	$419,465	$11,729,811	$25,835,380
Delaware	$5,467,863	31.3%	$19,479,346	18.5%	$0	$13,125	$2,641,270	$15,118,206
District of Columbia	$4,742,126	21.4%	$18,415,070	25.7%	$250,374	$270,690	$6,658,379	$10,221,361
Florida	$85,005,652	96.5%	$283,876,239	22.8%	$390,049	$1,604,915	$66,770,833	$133,121,347
Georgia	$56,296,087	41.4%	$222,245,040	12.1%	$924,485	$1,452,086	$48,832,896	$147,715,634
Hawaii	$5,430,878	33.9%	$14,506,824	9.5%	$0	$0	$2,608,341	$10,055,831
Idaho	$7,936,052	113.3%	$12,777,027	95.6%	$0	$0	$1,322,490	$2,459,085
Illinois	$48,915,789	46.2%	$199,090,296	11.9%	$38,260,757	$743,143	$41,123,803	$96,348,250
Indiana	$39,426,284	118.1%	$103,586,652	26.5%	$4,521,883	$212,810	$20,301,253	$31,973,989
Iowa	$16,853,900	86.0%	$71,156,697	8.9%	$1,378,342	$24,646	$10,010,124	$45,156,859
Kansas	$16,945,172	123.2%	$56,881,487	25.2%	$37,450	$85,941	$13,609,140	$21,694,898
Kentucky	$21,503,317	42.3%	$74,669,658	6.6%	$2,429,084	$85,449	$11,697,262	$51,357,587
Louisiana	$19,427,962	41.5%	$90,188,472	7.3%	$570,073	$582,892	$22,340,268	$58,623,562
Maine	$4,486,012	91.6%	$12,955,971	38.2%	$59,160	$0	$875,209	$7,909,164
Maryland	$20,126,405	29.7%	$84,617,450	15.9%	$130,775	$611,559	$16,052,589	$61,845,173
Massachusetts	$19,396,000	127.4%	$55,184,630	44.9%	$1,584,755	$448,880	$13,946,634	$14,491,791
Michigan	$43,469,115	103.2%	$140,775,529	18.0%	$869,448	$35,327	$22,926,652	$72,102,375
Minnesota	$26,895,891	93.9%	$51,439,262	76.4%	$0	$0	$11,087,715	$15,099,506
Mississippi	$17,276,606	43.8%	$63,842,587	14.8%	$1	$149,395	$10,705,945	$45,422,640
Missouri	$32,713,116	115.3%	$146,622,921	8.2%	$2,340,563	$1,512,897	$26,351,104	$78,709,220
Montana	$8,737,333	136.2%	$31,521,575	7.7%	$0	$0	$3,391,928	$16,232,314
Nebraska	$10,667,138	31.9%	$37,166,684	10.1%	$0	$0	$4,930,265	$28,833,009
Nevada	$9,609,912	141.0%	$31,676,025	14.9%	$0	$123,548	$7,580,044	$10,420,054
New Hampshire	$5,440,400	130.2%	$19,779,104	6.6%	$0	$3,213	$1,805,295	$10,887,330
New Jersey	$30,021,720	97.3%	$143,824,769	5.9%	$17,931,159	$47,663	$31,048,544	$65,593,595
New Mexico	$11,420,581	56.2%	$35,631,174	18.5%	$1,198,526	$90,129	$5,029,646	$22,889,810
New York	$47,747,497	52.6%	$202,905,547	9.9%	$7,135,165	$0	$58,068,161	$112,478,776
North Carolina	$39,348,482	202.3%	$137,793,396	37.8%	$7,663,694	$2,393,258	$21,536,069	$26,588,145
North Dakota	$6,406,778	84.3%	$17,266,632	42.4%	$197,497	$0	$0	$11,666,546
Ohio	$47,475,494	83.8%	$138,041,677	25.0%	$0	$0	$24,483,695	$73,786,046
Oklahoma	$23,288,518	62.9%	$102,042,972	8.2%	$1	$1	$14,164,716	$73,235,424
Oregon	$14,349,274	88.5%	$35,040,886	37.6%	$21,600	$0	$6,561,558	$15,754,439
Pennsylvania	$46,360,405	76.8%	$218,793,896	12.3%	$4,773,038	$24	$41,254,436	$137,125,804
Rhode Island	$4,708,281	106.8%	$15,388,682	29.6%	$1,034,414	$217,885	$3,523,788	$5,584,945
South Carolina	$26,507,876	33.8%	$85,464,258	10.8%	$244,615	$0	$13,886,606	$62,372,353
South Dakota	$8,212,257	53.0%	$22,527,252	14.3%	$0	$0	$1,060,036	$17,110,703
Tennessee	$30,608,831	52.6%	$147,529,422	10.3%	$493,597	$911,867	$26,757,264	$103,262,328
Texas	$134,560,693	35.5%	$463,567,725	10.3%	$21,351,967	$2,073,915	$108,289,735	$284,085,763
Utah	$9,867,881	104.1%	$39,330,676	14.5%	$1,862	$683	$6,920,331	$22,130,922
Vermont	$4,497,580	55.1%	$18,873,948	12.1%	$362,000	$53,772	$2,206,242	$13,775,264
Virginia	$36,923,471	49.9%	$196,067,826	12.6%	$4,522,798	$685,911	$41,517,202	$130,928,100
Washington	$20,065,987	116.9%	$52,688,754	42.8%	$51,633	$64,451	$10,179,987	$18,939,394
West Virginia	$10,875,102	93.5%	$47,550,954	20.9%	$0	$0	$4,270,584	$33,114,307
Wisconsin	$31,110,557	239.3%	$131,295,724	10.1%	$0	$0	$17,652,273	$39,187,363
Wyoming	$4,913,886	81.8%	$14,660,398	36.4%	$84,583	$0	$157,645	$10,397,797
National	**$1,357,439,397**	**80.3%**	**$5,062,944,688**	**16.2%**	**$162,059,295**	**$20,725,363**	**$999,112,449**	**$2,790,099,942**

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, IIJA designates the local MPO to administer a competitive process to select projects for TASA funds in the region. Table 2 shows the FY 2024 obligation amounts for TAP and TASA projects, and the rates, as compared to the FY 2024 apportionment.

State DOTs are responsible for administering a process to select projects for funds suballocated to small and medium-size 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. Under IIJA, the suballocation to areas with populations between 5,001 and 200,000 will be further divided into areas with populations of 5,001 to 50,000 and of 50,001 to 200,000.

MPOs are responsible for selecting projects for their suballocated funds. Table 3 shows FY 2024 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. Four states—Montana, 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 2024, the national obligation rate for MPOs was lower than for state agencies, at 73% and 85% respectively.

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 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 occur for various reasons, some of which may be inconsequential matters of timing. 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 2024 was $16.62 billion, and the rate was 93% of obligated funds. Table 4 has the state-specific and national cumulative amounts for all the program benchmarks.

- **TASA:** In FY 2024, the national reimbursement rate for TASA was 93% of the amount obligated. In comparison, in FY 2023, the reimbursement rate for TASA was 60%.
- **TE + TAP + TASA:** The (FY 1992 to FY 2024) reimbursement rate nationally was 93% of obligations and 67% of apportionments.

TABLE 2: TA OBLIGATIONS BY LARGE URBANIZED AREA SUBALLOCATION, FY 2024

State	Apportionment	TAP Obligations	Rate	TASA Obligations	Rate	IIJA Obligations	Rate	TAP+TASA +IIJA Obligations	Rate
Alabama	$5,799,962	$0	0%	$3,138,095	54%	$949,579	16%	$4,087,674	70%
Alaska	$1,997,040	$0	0%	-$195,944	-10%	$0	0%	-$195,944	-10%
Arizona	$12,205,899	$45,582	0%	-$136,712	-1%	$11,752,473	96%	$11,661,344	96%
Arkansas	$3,049,166	$0	0%	$0	0%	$3,043,925	100%	$3,043,925	100%
California	$58,367,483	$92,715	0%	$209,918	0%	$58,546,066	100%	$58,848,699	101%
Colorado	$7,162,325	$0	0%	$0	0%	$6,648,728	93%	$6,648,728	93%
Connecticut	$5,998,451	$43,016	1%	$175,213	3%	$6,760,140	113%	$6,978,368	116%
Delaware	$1,610,129	$0	0%	$0	0%	$288,861	18%	$288,861	18%
District of Columbia	$2,797,854	$0	0%	-$18,851	-1%	$1,593,075	57%	$1,574,224	56%
Florida	$40,395,953	$785,700	2%	-$110,403	-0%	$39,588,739	98%	$40,264,036	100%
Georgia	$18,650,389	$90,025	0%	-$212,141	-1%	$7,434,866	40%	$7,312,750	39%
Hawaii	$1,878,692	$0	0%	$0	0%	$0	0%	$0	0%
Idaho	$1,102,854	$1	0%	$0	0%	$1,102,854	100%	$1,102,855	100%
Illinois	$21,205,650	-$26,925	-0%	$692,549	3%	$4,133,734	19%	$4,799,358	23%
Indiana	$10,853,695	-$22,594	-0%	-$48,931	-0%	$17,617,592	162%	$17,546,067	162%
Iowa	$2,376,294	$0	0%	-$45,066	-2%	$1,644,378	69%	$1,599,312	67%
Kansas	$4,229,693	$0	0%	$0	0%	$4,814,363	114%	$4,814,363	114%
Kentucky	$4,444,485	$119,165	3%	$2,918,557	66%	$0	0%	$3,037,722	68%
Louisiana	$5,192,369	$224,395	4%	$195,553	4%	$1,218,590	23%	$1,638,538	32%
Maine	$398,959	$0	0%	$0	0%	$398,959	100%	$398,959	100%
Maryland	$8,507,863	$0	0%	$4,267,662	50%	$1,101,926	13%	$5,369,587	63%
Massachusetts	$9,518,201	-$16,860	-0%	$98,002	1%	$9,622,020	101%	$9,703,163	102%
Michigan	$14,199,007	$0	0%	-$6,497	-0%	$5,378,413	38%	$5,371,916	38%
Minnesota	$8,240,425	$0	0%	$0	0%	$6,414,560	78%	$6,414,560	78%
Mississippi	$2,508,526	$29,610	1%	-$160,236	-6%	$1,205,021	48%	$1,074,395	43%
Missouri	$9,454,049	$0	0%	$858,539	9%	$11,661,503	123%	$12,520,042	132%
Montana	N/A	$0	N/A	$0	N/A	$0	N/A	$0	N/A
Nebraska	$3,344,216	$0	0%	$60,517	2%	$883,427	26%	$943,944	28%
Nevada	$4,945,730	$0	0%	-$596,141	-12%	$10,221,781	207%	$9,625,640	195%
New Hampshire	$739,316	$0	0%	$53,423	7%	$250,373	34%	$303,796	41%
New Jersey	$15,975,139	$0	0%	$4,889,696	31%	$16,465,299	103%	$21,354,995	134%
New Mexico	$2,547,863	$0	0%	$460,610	18%	$1,209,790	47%	$1,670,400	66%
New York	$22,228,682	$0	0%	$5,717,896	26%	$5,209,151	23%	$10,927,048	49%
North Carolina	$11,101,187	$97,529	1%	$1,652,538	15%	$12,734,281	115%	$14,484,348	130%
North Dakota	$813,853	$0	0%	$0		$813,853	100%	$813,853	100%
Ohio	$16,485,893	$0	0%	$0	0%	$9,514,437	58%	$9,514,437	58%
Oklahoma	$5,917,196	$0	0%	$198,206	3%	$1,913,187	32%	$2,111,393	36%
Oregon	$4,431,804	$0	0%	$18,315	0%	$3,985,617	90%	$4,003,932	90%
Pennsylvania	$17,037,463	$19,163	0%	$2,313,321	14%	$5,425,257	32%	$7,757,741	46%
Rhode Island	$2,459,772	$0	0%	$0	0%	$2,464,185	100%	$2,464,185	100%
South Carolina	$6,985,276	$0	0%	$573,816	8%	$1,480,228	21%	$2,054,045	29%
South Dakota	N/A	$0	N/A	$0	N/A	$0	N/A	$0	N/A
Tennessee	$8,177,925	$181,126	2%	-$117,789	-1%	$597,479	7%	$660,816	8%
Texas	$54,688,628	-$154,208	-0%	$937,513	2%	$7,341,083	13%	$8,124,388	15%
Utah	$4,228,242	$0	0%	$320,788	8%	$3,688,045	87%	$4,008,833	95%
Vermont	N/A	$0	N/A	$0	N/A	$0	N/A	$0	N/A
Virginia	$13,262,870	$316,487	2%	$5,564,801	42%	$749,332	6%	$6,630,620	50%
Washington	$7,842,041	$0	0%	-$60,780	-1%	$5,535,375	71%	$5,474,595	70%
West Virginia	$404,889	$0	0%	-$50,912	-13%	$0	0%	-$50,912	-13%
Wisconsin	$6,931,336	$0	0%	$1,085,013	16%	$13,433,669	194%	$14,518,682	209%
Wyoming	N/A	$0	N/A	$0	N/A	$0	N/A	$0	N/A
National	**$472,694,734**	**$1,823,927**	**0%**	**$34,640,138**	**7%**	**$306,836,214**	**65%**	**$343,300,279**	**73%**

TABLE 3: TA OBLIGATIONS BY LARGE URBANIZED AREA SUBALLOCATION AND STATE ALLOCATION, FY 2024

	Apportionment			Obligation			Rate		
State	MPO	State	Total	MPO: TAP + TASA	State: TE + TAP + TASA	Total	MPO	State	Total
Alabama	$5,799,962	$22,346,061	$28,146,023	$4,087,674	$24,183,960	$28,271,634	70%	108%	100%
Alaska	$1,997,040	$7,962,328	$9,959,368	-$195,944	$18,142,589	$17,946,645	-10%	228%	180%
Arizona	$12,205,899	$15,859,055	$28,064,954	$11,661,344	$13,086,234	$24,747,578	96%	83%	88%
Arkansas	$3,049,166	$14,741,297	$17,790,463	$3,043,925	$13,198,367	$16,242,292	100%	90%	91%
California	$58,367,483	$64,577,549	$122,945,032	$58,848,699	$16,595,944	$75,444,643	101%	26%	61%
Colorado	$7,162,325	$12,066,951	$19,229,276	$6,648,728	$9,598,887	$16,247,615	93%	80%	84%
Connecticut	$5,998,451	$9,265,669	$15,264,120	$6,978,368	$3,588,142	$10,566,510	116%	39%	69%
Delaware	$1,610,129	$3,857,734	$5,467,863	$288,861	$1,417,884	$1,706,745	18%	37%	31%
District of Columbia	$2,797,854	$1,944,272	$4,742,126	$1,574,224	-$559,958	$1,014,266	56%	-29%	21%
Florida	$40,395,953	$44,609,699	$85,005,652	$40,264,036	$41,725,059	$81,989,095	100%	94%	96%
Georgia	$18,650,389	$37,645,698	$56,296,087	$7,312,750	$16,007,188	$23,319,938	39%	43%	41%
Hawaii	$1,878,692	$3,552,186	$5,430,878	$0	$1,842,652	$1,842,652	0%	52%	34%
Idaho	$1,102,854	$6,833,198	$7,936,052	$1,102,855	$7,892,597	$8,995,452	100%	116%	113%
Illinois	$21,205,650	$27,710,139	$48,915,789	$4,799,358	$17,814,985	$22,614,343	23%	64%	46%
Indiana	$10,853,695	$28,572,589	$39,426,284	$17,546,067	$29,030,650	$46,576,716	162%	102%	118%
Iowa	$2,376,294	$14,477,606	$16,853,900	$1,599,312	$12,987,415	$14,586,727	67%	90%	87%
Kansas	$4,229,693	$12,715,479	$16,945,172	$4,814,363	$16,639,695	$21,454,058	114%	131%	127%
Kentucky	$4,444,485	$17,058,832	$21,503,317	$3,037,722	$6,062,554	$9,100,276	68%	36%	42%
Louisiana	$5,192,369	$14,235,593	$19,427,962	$1,638,538	$6,433,139	$8,071,677	32%	45%	42%
Maine	$398,959	$4,087,053	$4,486,012	$398,959	$3,713,479	$4,112,438	100%	91%	92%
Maryland	$8,507,863	$11,618,542	$20,126,405	$5,369,587	$607,766	$5,977,353	63%	5%	30%
Massachusetts	$9,518,201	$9,877,799	$19,396,000	$9,703,163	$15,009,407	$24,712,570	102%	152%	127%
Michigan	$14,199,007	$29,270,108	$43,469,115	$5,371,916	$39,469,812	$44,841,728	38%	135%	103%
Minnesota	$8,240,425	$18,655,466	$26,895,891	$6,414,560	$18,837,481	$25,252,041	78%	101%	94%
Mississippi	$2,508,526	$14,768,080	$17,276,606	$1,074,395	$6,490,211	$7,564,606	43%	44%	44%
Missouri	$9,454,049	$23,259,067	$32,713,116	$12,520,042	$25,189,095	$37,709,137	132%	108%	115%
Montana	$0	$8,737,333	$8,737,333	$0	$11,897,333	$11,897,333	0%	136%	136%
Nebraska	$3,344,216	$7,322,922	$10,667,138	$943,944	$2,459,465	$3,403,409	28%	34%	32%
Nevada	$4,945,730	$4,664,182	$9,609,912	$9,625,640	$3,926,739	$13,552,379	195%	84%	141%
New Hampshire	$739,316	$4,701,084	$5,440,400	$303,796	$6,779,469	$7,083,266	41%	144%	130%
New Jersey	$15,975,139	$14,046,581	$30,021,720	$21,354,995	$7,848,814	$29,203,809	134%	56%	97%
New Mexico	$2,547,863	$8,872,718	$11,420,581	$1,670,400	$4,752,664	$6,423,063	66%	54%	56%
New York	$22,228,682	$25,518,815	$47,747,497	$10,927,048	$14,296,398	$25,223,446	49%	56%	53%
North Carolina	$11,101,187	$28,247,295	$39,348,482	$14,484,348	$65,127,882	$79,612,230	130%	231%	202%
North Dakota	$813,853	$5,592,925	$6,406,778	$813,853	$4,588,736	$5,402,589	0%	82%	84%
Ohio	$16,485,893	$30,989,601	$47,475,494	$9,514,437	$30,257,498	$39,771,935	58%	98%	84%
Oklahoma	$5,917,196	$17,371,322	$23,288,518	$2,111,393	$12,531,436	$14,642,830	36%	72%	63%
Oregon	$4,431,804	$9,917,470	$14,349,274	$4,003,932	$8,699,357	$12,703,289	90%	88%	89%
Pennsylvania	$17,037,463	$29,322,942	$46,360,405	$7,757,741	$27,882,854	$35,640,594	46%	95%	77%
Rhode Island	$2,459,772	$2,248,509	$4,708,281	$2,464,185	$2,563,465	$5,027,650	100%	114%	107%
South Carolina	$6,985,276	$19,522,600	$26,507,876	$2,054,045	$6,906,639	$8,960,684	29%	35%	34%
South Dakota	$0	$8,212,257	$8,212,257	$0	$4,356,513	$4,356,513	0%	53%	53%
Tennessee	$8,177,925	$22,430,906	$30,608,831	$660,816	$15,443,549	$16,104,365	8%	69%	53%
Texas	$54,688,628	$79,872,065	$134,560,693	$8,124,388	$39,641,956	$47,766,344	15%	50%	35%
Utah	$4,228,242	$5,639,639	$9,867,881	$4,008,833	$6,268,045	$10,276,878	95%	111%	104%
Vermont	$0	$4,497,580	$4,497,580	$0	$2,476,670	$2,476,670	0%	55%	55%
Virginia	$13,262,870	$23,660,601	$36,923,471	$6,630,620	$11,783,194	$18,413,814	50%	50%	50%
Washington	$7,842,041	$12,223,946	$20,065,987	$5,474,595	$17,978,693	$23,453,288	70%	147%	117%
West Virginia	$404,889	$10,470,213	$10,875,102	-$50,912	$10,216,976	$10,166,063	-13%	98%	93%
Wisconsin	$6,931,336	$24,179,221	$31,110,557	$14,518,682	$59,937,407	$74,456,088	209%	248%	239%
Wyoming	$0	$4,913,886	$4,913,886	$0	$4,020,373	$4,020,373	0%	82%	82%
National	**$472,694,734**	**$884,744,663**	**$1,357,439,397**	**$343,300,279**	**$747,647,359**	**$1,090,947,638**	**73%**	**85%**	**80%**

TABLE 4: STATE TE/TAP/TASA PROGRAM BENCHMARKS, FYS 1992–2024

State	Apportioned	Available	Programmed	Obligated	Reimbursed
Alabama	$2,976,174,408	$665,092,995	$309,305,655	$359,716,058	$323,353,524
Alaska	$230,077,799	$283,686,435	$162,008,572	$187,963,700	$178,600,518
Arizona	$415,524,622	$653,514,350	$209,276,060	$335,268,291	$327,698,063
Arkansas	$289,535,981	$367,006,178	$213,726,359	$202,980,560	$133,800,470
California	$1,946,487,000	$3,050,004,514	$1,256,730,299	$1,707,312,751	$1,682,309,504
Colorado	$307,685,544	$457,476,693	$177,512,311	$269,761,841	$272,003,039
Connecticut	$268,729,907	$325,061,409	$208,707,465	$182,667,402	$143,338,341
Delaware	$98,312,356	$144,966,660	$81,966,148	$98,650,477	$105,876,924
District of Columbia	$83,872,507	$136,219,058	$51,548,858	$68,486,780	$65,907,321
Florida	$1,372,715,568	$1,935,075,421	$1,204,479,682	$1,288,273,498	$1,195,045,008
Georgia	$853,295,871	$1,126,355,048	$367,436,860	$547,291,510	$444,874,958
Hawaii	$119,767,305	$152,165,835	$107,664,203	$92,986,271	$93,800,126
Idaho	$143,754,748	$151,666,981	$108,473,123	$122,516,716	$90,517,064
Illinois	$794,125,293	$1,412,871,963	$1,063,468,187	$667,599,534	$651,225,260
Indiana	$587,939,717	$879,358,979	$490,226,572	$636,395,900	$621,610,658
Iowa	$278,099,229	$404,943,450	$327,727,835	$234,691,766	$247,387,938
Kansas	$277,663,596	$426,772,001	$303,883,382	$289,971,951	$294,482,197
Kentucky	$350,649,875	$517,998,309	$245,267,212	$295,917,305	$304,900,935
Louisiana	$315,874,266	$436,919,661	$270,477,344	$197,708,278	$185,422,527
Maine	$91,170,282	$127,636,844	$104,101,161	$86,796,645	$75,248,696
Maryland	$321,580,193	$510,796,860	$382,518,796	$242,222,559	$246,981,608
Massachusetts	$325,792,635	$460,017,643	$223,119,569	$315,165,263	$289,246,958
Michigan	$690,853,064	$994,585,406	$765,339,168	$652,378,753	$687,004,417
Minnesota	$420,615,580	$523,007,034	$444,936,807	$427,031,500	$462,275,219
Mississippi	$279,045,342	$445,240,248	$220,134,651	$250,997,355	$254,028,970
Missouri	$505,270,000	$788,115,698	$270,369,117	$417,818,558	$434,151,555
Montana	$162,496,294	$202,723,473	$170,071,494	$145,119,916	$151,663,128
Nebraska	$183,997,149	$253,828,980	$175,527,473	$128,214,322	$120,100,885
Nevada	$160,165,884	$217,393,092	$119,123,730	$132,711,630	$89,663,037
New Hampshire	$99,119,228	$125,968,947	$99,066,312	$89,284,467	$94,249,862
New Jersey	$471,844,143	$875,764,637	$318,374,802	$333,569,757	$217,165,540
New Mexico	$200,502,757	$243,046,168	$236,308,092	$152,009,063	$134,966,384
New York	$894,758,893	$1,189,395,489	$621,952,915	$601,366,125	$477,572,925
North Carolina	$626,152,768	$939,169,065	$607,958,167	$589,148,726	$438,462,214
North Dakota	$204,662,783	$136,794,990	$98,198,063	$98,404,656	$86,208,304
Ohio	$846,650,043	$1,001,870,105	$597,010,277	$695,631,962	$570,489,662
Oklahoma	$375,696,630	$493,044,078	$164,664,652	$235,355,298	$219,216,790
Oregon	$244,372,970	$319,298,663	$215,351,365	$218,006,893	$193,163,606
Pennsylvania	$692,412,818	$1,347,282,731	$738,770,531	$667,922,530	$706,245,981
Rhode Island	$89,180,233	$140,900,093	$286,605,484	$95,037,758	$88,777,679
South Carolina	$403,606,636	$482,345,514	$253,935,050	$257,221,537	$270,261,586
South Dakota	$146,597,195	$167,723,705	$68,138,300	$85,217,102	$77,198,633
Tennessee	$481,687,757	$754,707,848	$427,978,970	$387,039,056	$382,239,904
Texas	$2,187,455,404	$2,548,437,110	$1,331,632,234	$1,102,719,234	$991,581,300
Utah	$161,151,003	$253,229,931	$109,845,145	$141,617,924	$156,076,685
Vermont	$87,862,659	$133,325,625	$92,217,451	$82,686,920	$86,112,557
Virginia	$661,871,027	$1,000,052,839	$460,041,443	$479,897,988	$492,678,010
Washington	$337,506,007	$439,841,401	$346,729,784	$307,376,895	$337,917,670
West Virginia	$170,614,581	$287,464,719	$103,256,399	$164,880,412	$165,846,663
Wisconsin	$600,502,247	$626,116,780	$242,198,174	$314,761,226	$162,810,325
Wyoming	$96,689,623	$136,384,193	$94,873,330	$99,309,918	$101,992,042
Total	**$24,932,169,420**	**$31,692,665,849**	**$17,550,235,030**	**$17,783,082,539**	**$16,623,753,172**

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: transfers, lapsing and rescissions.

In this section, we discuss the three mechanisms that can prevent funding from being used and recent trends for each mechanism. However, to understand these mechanisms and trends fully, it is also important to understand how funding is distributed through contract authority.

CONTRACT AUTHORITY

Most federal transportation programs, including TE and TA, are contract authority programs, a one-step congressional process: The authorizing legislation—such as the Infrastructure Investment and Jobs Act (IIJA)—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, with volatility in funding amounts from year to year.

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

However, Congress does not always have enough money to fully reimburse the total amount of surface transportation funding apportioned to the states. At times, Congress even chooses to limit overall federal expenditures. 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, Congress limits each state as a whole, allowing states to make decisions about how they wish to spend their funding. This makes the obligation of these funds a matter of relative priorities. Some states have obligated more than 100% of an annual allocation to this program to make up for a lower obligation in a prior year.

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 have not used because of the obligation limitation in addition to having available funding that was not obligated. This is where transfers, lapsing and rescissions come in.

TRANSFERS

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

The legislative language in the Fixing America's Surface Transportation (FAST) Act and in the Moving Ahead for Progress in the 21st Century (MAP-21) Act allowed states to make inter-program transfers, moving up to 50% of their TA funds to other Federal-aid Highway Programs (FAHPs), after the Recreational Trails Program (RTP) set-aside. A state could

only transfer the funds designated for use in any area of the state and could not transfer suballocated funds such as 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 Surface Transportation Block Grant (STBG) program without a transfer.

For TE funding, transfers were allowed beginning with the Transportation Equity Act for the 21st Century (TEA-21) for fiscal year (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 interagency 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. Currently, these TE provisions are largely unused, though in FY 2024 Maryland used the interagency transferability provision to transfer $3.7 million to the National Park Service (NPS) (Table 5). The funds were used for repair and rehabilitation of the Chesapeake & Ohio (C&O) Canal Towpath in Sandy Hook to improve towpath safety and accessibility. The C&O Canal Towpath National Historical Park is a key piece of the eastern end of the Great American Rail-Trail® and an economic driver for surrounding communities, and this funding ensures the towpath can continue to be enjoyed by hundreds of thousands of users each year.

The shift in allowable transfers under MAP-21 opened the door for states to greatly increase the amount of inter-program transfers. Indeed, the vast majority of transfers have occurred in the last 10 years, since the passage of MAP-21. The total transfers between FY 1992 and FY 2024 equate to $2.39 billion. Only $192 million was transferred in the first two decades of the program prior to the passage of MAP-21. However, this trend should reverse with IIJA, under which Congress limited transfers to situations in which states can demonstrate insufficient demand after running a robust competitive process and offering technical assistance to eligible entities applying for and implementing TA funds. In FY 2022, FHWA prohibited transfers while states were establishing their TASA programs. Requests to transfer funds must be certified by FHWA division offices, but for the first year of allowable transfers under IIJA, FHWA headquarters approved those transfers. As noted previously, a notable increase in transfers in FY 2024 despite this requirement suggests a need for greater transparency and accountability to ensure that waivers from the restrictions are not used to circumvent the core expectation that TA funds be used for eligible purposes. Delegating this authority back to headquarters would ensure consistency in the review and approval process.

In FY 2022, no states submitted documentation that met the law's requirements. This ensured that TA funds stayed channeled toward their intended purpose of the TE/TA eligibilities. In FY 2023, five states were approved for inter-program transfers. As a result, $85.52 million in inter-program transfers were made in FY 2023. During FY 2024, 12 states were approved by FHWA for inter-program transfers totaling $250,317,066. While most inter-program transfers involve loss of funding for TA-eligible projects, the largest of the FY 2024 transfers was by Texas, which transferred $111,091,008. This was done to spend down balances related to end of year federal redistribution. The Texas Department of Transportation (TxDOT) awarded $345 million in TA projects in October of 2023 and funds for these projects will be obligated between FY 2025 and FY 2028. TxDOT plans to transfer funds back to the state TA program as funds are needed for those projects awarded in October of 2023, ensuring that these funds will be used for the intended purposes. This is important to note because apart from a few states, most states almost exclusively use STBG funds to build roads, bridges and highways, which are not TE/TA-eligible projects.

LAPSING FUNDS

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 obligate funding on a two-year cycle to maximize funds. Programs are able to carry over some unobligated funds every year without having the funds lapse. The amount that states can carry over is equal to the total apportionments for the previous 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 (STP)/Surface Transportation Block Grant (STBG) program. STP/STBG is the most versatile funding source, typically used to build roads, bridges and highways; however, trails, bike lanes and sidewalks are also eligible under the program. 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.

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 were unlikely to lapse.
- TAP funds from MAP-21 are not part of the STP. If states were 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 being careful not to let STBG funds lapse, TASA funds also are unlikely to lapse.

No states allowed funding to lapse in FY 2024.

RESCISSIONS

From time to time, Congress takes back some—but not all—unobligated federal transportation money from 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 specifically was enacted in 2017. The rescission applied to all contract authority funds under Chapter 1 of Title 23, United States Code. This chapter contains the FAHP and several smaller programs subject to rescission, including TE, TAP and TASA funds. Additional rescissions were scheduled in the FAST Act to impact FY 2018 and FY 2019 funds, but these rescissions were eventually repealed.

Unobligated funds were rescinded proportionally by program. For example, if TA 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 from which programs to rescind unobligated funds. This practice often led to a greater percentage of rescissions coming from unobligated TE funds than from the total of unobligated funds for transportation programs across the board.

Currently, there are no rescissions scheduled under IIJA, but Congress retains the authority to authorize a rescission. States should proactively obligate funds to projects to avoid this potential funding loss.

INTERAGENCY TRANSFERS

Interagency transfers are a frequently used mechanism to transfer funds from a 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 projects are not uncommon. Several agencies, including FS, have become more proactive about applying for TA funding to build multiuse trails and other eligible projects on federally managed lands. Other agencies like FTA and Bureau of Indian Affairs (BIA) often use these transfers to fund pedestrian and bicycle access to transit. Since interagency 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 2024, interagency transfers amounting to $95.40 million were made to federal agencies for TE/TAP/TASA-eligible activities. Table 5 indicates the breakout by state and agency. In comparison, FY 2023 saw $57.31 million in interagency transfers, FY 2022 saw $14.63 million in interagency transfers, and FY 2020 saw $16 million in interagency transfers.

INTER-PROGRAM TRANSFERS

In contrast to interagency transfers, inter-program transfers allow funding to be transferred to another FAHP and to be 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 have been 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 use funds transferred to STBG to support walking and biking infrastructure, such usage is exceedingly rare. Apart from a few states, most states almost exclusively use STBG funds to build roads, bridges and highways, which are not TE/TA-eligible projects.

Under IIJA, states are required to demonstrate a robust competitive process and are required to offer technical assistance to eligible entities applying for and implementing TA funds.[i] In FY 2022, FHWA prohibited transfers while states were establishing their programs. Requests to transfer funds must be certified by FHWA. During FY 2024, 12 states were approved by FHWA for inter-program transfers totaling $250,317,066. In FY 2023, five states submitted documentation that met the law's requirements. As a result, $85.5 million in inter-program transfers were made in FY 2023. See Table 6. This is noteworthy because, while it's lower than pre-IIJA transfers, it means that not all the funding allocated for TE/TAP/TASA use remains available for its intended purposes.

TABLE 5: INTERAGENCY TRANSFERS OF TE/TAP/TASA, FY 2024

	TE	TAP	TASA	TASA-IIJA	To Fund	Total
District of Columbia				$50,000	FLH	$50,000
Florida				$1,000,000	FTA	$1,000,000
Indiana				$802,856	FTA	$802,856
Lousianna				-$400,000	FRA	-$400,000
Massachusetts				$3,799,593	FTA	$3,799,593
Maryland				$150,000	FTA	$150,000
Maryland			$1,243,324	$2,414,155	NPS	$3,657,479
Minnesota				$1,079,309	BIA	$1,079,309
Minnesota				$1,825,865	FTA	$1,825,865
Missouri				$2,400,000	FTA	$2,400,000
North Carolina		$63,974	$640,867	$2,644,460	FTA	$3,349,301
Nebraska			$2,587,175	$3,265,402	BIA	$5,852,577
New Mexico			$59,808	$871,488	FTA	$931,296
New York	$1,119,601				FTA	$1,119,601
New York		$79,071	$4,920,929		HSA	$5,000,000
Ohio				$200,000	FTA	$200,000
South Carolina				$10,000,000	70	$10,000,000
Texas		$1,084,894	$12,904,561	$40,179,393	FTA	$54,168,848
Washington				$415,560	FTA	$415,560
Subtotals	**$1,119,601**	**$1,227,939**	**$22,356,664**	**$70,698,081**		**$95,402,285**
BIA	$0	$0	$2,587,175	$4,344,711		$6,931,886
FLH	$0	$0	$0	$50,000		$50,000
FTA	$1,119,601	$1,148,868	$13,605,236	$54,289,215		$70,162,920
NPS	$0	$0	$1,243,324	$2,414,155		$3,657,479
70	$0	$0	$0	$10,000,000		$10,000,000
HSA	$0	$79,071	$4,920,929	$0		$5,000,000
FRA	$0	$0	$0	-$400,000		-$400,000
Total by Funding Source	**$1,119,601**	**$1,227,939**	**$22,356,664**	**$70,698,081**		**$95,402,285**

TABLE 6: INTER-PROGRAM TRANSFERS OF TE/TAP/TASA, FY 2024

State		TE	To Fund	TAP	To Fund	TASA	To Fund	TASA-IIJA	To Fund	Total
Arizona						$2,521,370	Z240			$2,521,370
Connecticut								$17,000,000	Y240	$17,000,000
Illinois								$19,852,720	Y240	$19,852,720
Indiana								$25,019,124	Y240	$25,019,124
Kentucky								$21,278,536	Y240	$21,278,536
Michigan								$20,500,000	Y240	$20,500,000
Mississippi								$3,500,000	Y240	$3,500,000
Nevada								$1,837,935	Y460	$1,837,935
New Jersey						$4,306,440	ZS3E			$4,306,440
New Jersey						$1,812,159	ZS30			$1,812,159
New Jersey								$18,089,001	Y240	$18,089,001
New Mexico								$3,500,000	Y240	$3,500,000
Oregon						$8,774	Z240			$8,774
Texas								$111,091,008	Y240	$111,091,008
Totals		**$0**		**$0**		**$8,648,743**		**$241,668,323**		**$250,317,066**
Z240	STBG Flex	$0		$0		$2,530,144		$0		
ZS30	HSIP	$0		$0		$1,812,159		$0		
ZS3E	HSIP	$0		$0		$4,306,440		$0		
Y240	STBG Flex	$0		$0		$0		$239,830,388		
Y460	HWY Freight	$0		$0		$0		$1,837,935		
Total by Funding Source		**$0**		**$0**		**$8,648,743**		**$241,668,323**		**$250,317,066**

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. Prior to 2013, this report had full representation from states, and thus the report provided a complete picture. This current analysis includes new data submitted by 25 states.

THE PROJECT LIST

Programmed projects are those approved to receive funding by individual states. Project lists from individual states can be found in the Statewide Transportation Improvement Program (STIP) published by each state to provide the public with information on capital expenditures related to transportation.

The Transportation Alternatives Data Exchange (TrADE) project database now spans 32 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 2024 is $17.6 billion, representing 70% of all apportionments.

Future Programming: The programming data also show that six states have selected projects for future fiscal years. The database now has 41,522 programmed projects worth $17.98 billion with 614 additional programmed future projects. 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 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. Also, "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 2024.

The percentages have shifted only slightly from previous years, and the ranking of eligibility categories in order of expenditures has not changed. Pedestrian and bicycle facilities still account for the majority of all programmed funding at 60%. Beautification continues to be the second-largest category of spending at 13.1%. Historic preservation and rehabilitation of transportation structures is the third-largest category, with 10.7% of programmed funding. Rail-trails, while a specific type of pedestrian and bicycle facility, are categorized separately and account for 7.2% of funding, followed by the category of scenic highways, turnouts and overlooks, with 4.6% of all programmed funding.

The remaining categories—including environmental management, billboard management, archaeology, transportation, museums and safe routes to school—received only very small shares of the total combined TE, TAP and TASA funding from FY 1992 through FY 2024.

While Figure 8 represents the cumulative distribution of federal funds since the inception of the program, Figure 9 illustrates the distribution of funding across seven selected categories, including safe routes to school, from 2014 to 2024 (post-Moving Ahead for Progress in the 21st Century Act of 2012, known as MAP-21). The pedestrian and bicycle facilities category continues to receive the greatest portion of funding, with 83% of Transportation Alternatives (TA) funding. This demonstrates a significant increase in funds being directed to pedestrian and bicycle facilities since MAP-21. Percentages for most categories shifted only slightly in comparison to past years. Compared with last year, safe routes for nondrivers funding stayed steady at $196 million, and funding for rail-trails increased (from $156 million to $244 million). Pedestrian and bicycle facilities funding increased from $3.9 billion to $5.3 billion, and safe routes to school infrastructure funding increased from $287 million to $420 million.

FIGURE 8: DISTRIBUTION OF FEDERAL FUNDING BY TE/TAP/TASA ELIGIBILITY GROUPING, FYS 1992–2024

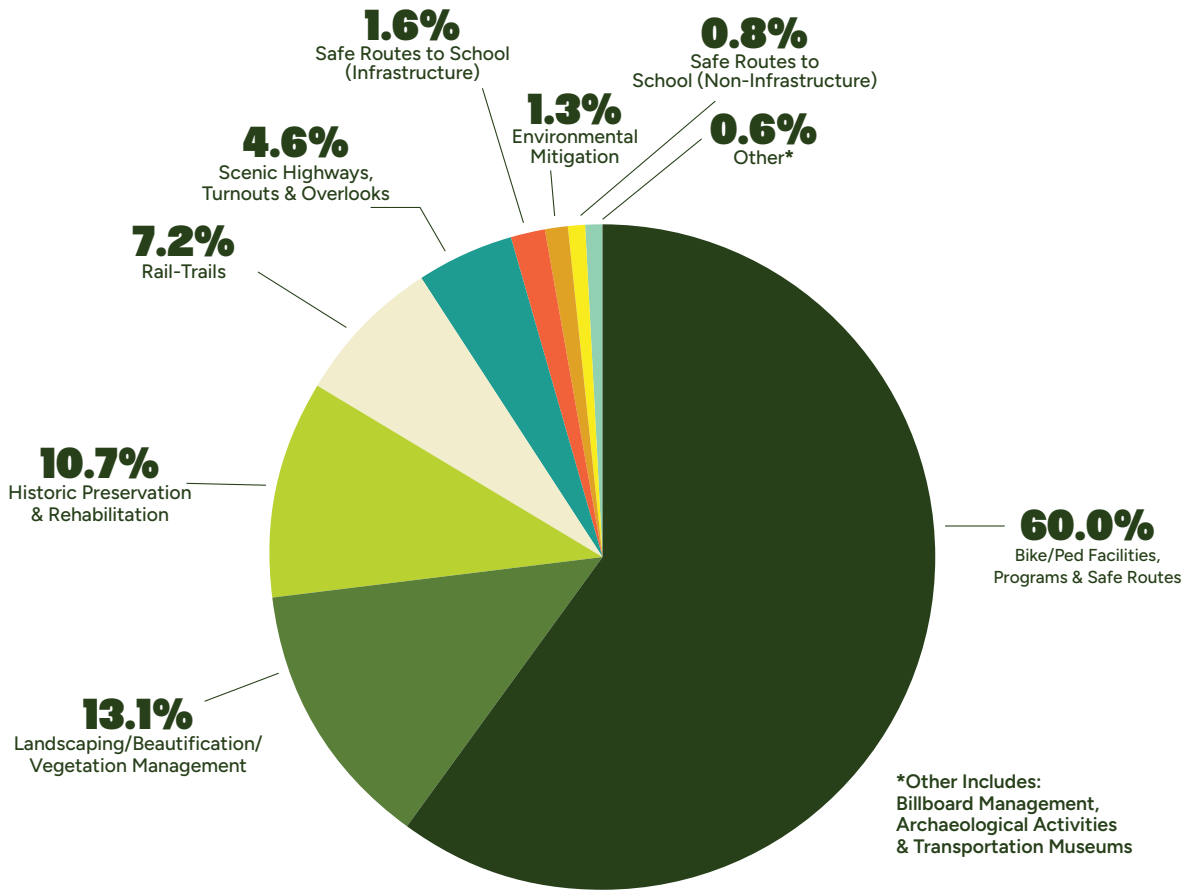
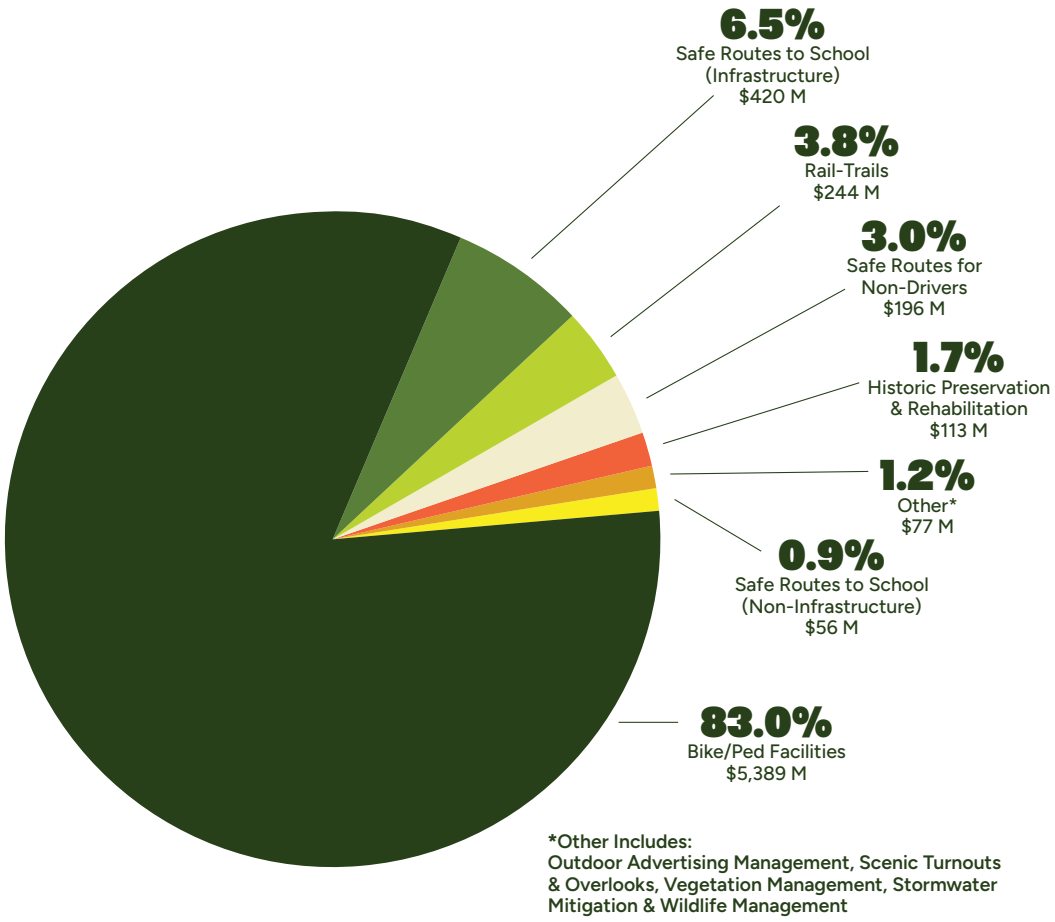


FIGURE 9: DISTRIBUTION OF FEDERAL FUNDING BY TA ACTIVITY, FYS 2014–2024

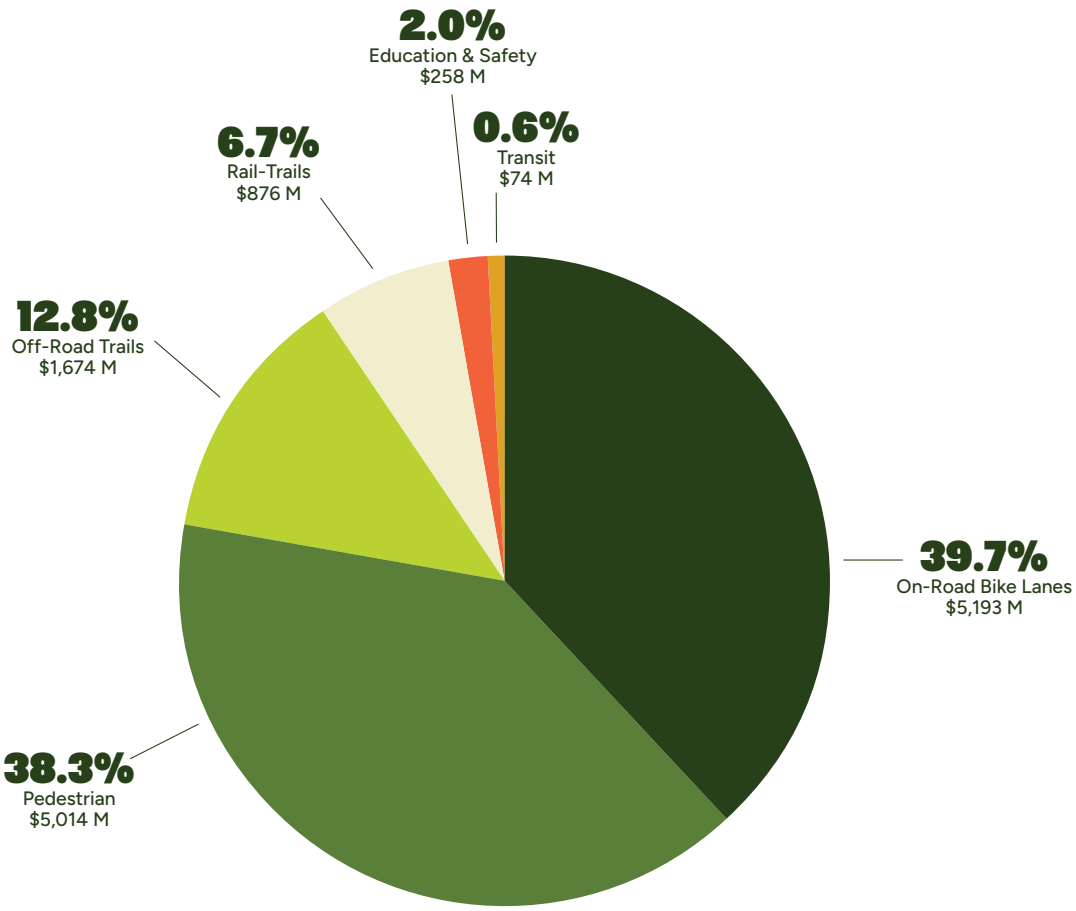


BICYCLE AND PEDESTRIAN PROJECT SUBTYPES

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 facilities, 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. On-road bicycle lanes (39.7%) and pedestrian facilities (38.3%) received the highest and second-highest shares of programmed funding across these categories, followed by off-road trails (12.8%) and rail-trails (6.7%).

FIGURE 10: DISTRIBUTION OF FEDERAL FUNDING ACROSS PROJECTS WITH DESIGNATED BIKE AND PEDESTRIAN SUBTYPES, FYS 1992–2024



FUTURE PROGRAMMING

States programmed 614 projects for future years (FY 2025 to FY 2030), though these are subject to change. The total federal dollar amount for these projects is $453 million. Bicycle and pedestrian projects and safe routes for nondrivers projects together account for a large majority of future programmed projects. The next-largest categories are safe routes to school infrastructure projects and non-infrastructure projects, followed by recreational trails and rail-trails. While data on future programming provide an interesting glimpse into future projects that are slated for funding, data 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 2024, the average federal project award was $1.78 million. The average federal project award has grown significantly in recent years. The FY 2024 average award is up from $1.41 million in FY 2023 and $1.03 million nationwide in FY 2022.

The Federal-aid Highway Program (FAHP) requires that federal funds be matched with monies from another source. These funds from other sources are often referred to as the nonfederal share of project costs, or the nonfederal 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 nonfederal 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 trail projects funded from other federal sources.

Cumulatively, the average national match rate was 26.9%. 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 49.9%.

Overall, this higher national match rate is attributable to state policies that encourage or require a higher nonfederal 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 nonfederal 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. This was not the case between FY 2012 and FY 2021 under the Fixing America's Surface Transportation (FAST) Act and MAP-21. Both surface transportation bills required a 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 a 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.

The Infrastructure Investment and Jobs Act (IIJA) includes a change to the match requirements that gives states flexibility to vary the match on a project-to-project basis, as long as the average meets a state's nonfederal match. This change could help provide more access to TA funds, particularly for communities that may have difficulties fulfilling high match requirements.

Each state DOT establishes its own guidelines and requirements for providing the nonfederal share of project costs. Some states require local sponsors to provide a share of project costs, though the amount required varies by state. In some states, projects are considered more competitive if applicants can provide a match greater than 20%. Also, some states, like Maryland, require a match greater than 20% to make funding available to more projects. In other states (e.g., California, Florida, New Jersey, Ohio, Texas), toll credits supplement sponsor contributions to meet nonfederal share requirements. By working across state agencies to fund TA projects, the Pennsylvania DOT depends upon state-generated Department of Conservation and Natural Resources funds to meet the match requirement, eliminating the match as a barrier for project sponsors. This approach has made funding more accessible to communities across Pennsylvania.

TABLE 7: CUMULATIVE PROGRAMMED FEDERAL AWARDS AND MATCHING FUNDS, FYS 1992–2024

State	Project Count	Total Federal	Average Federal Award	Matching Fund	Matching Rate	Total
Alabama	1,781	$368,838,373	$207,096	$84,612,096	18.7%	$453,450,469
Alaska	498	$180,258,837	$361,966	$22,737,124	11.2%	$202,995,961
Arizona	509	$217,187,030	$426,694	$59,311,855	21.5%	$276,498,885
Arkansas	939	$224,808,856	$713,882	$96,364,941	30.0%	$321,173,797
California	1,917	$1,267,635,331	$661,260	$761,980,818	37.5%	$2,029,616,149
Colorado	730	$184,313,399	$252,484	$81,534,517	30.7%	$265,847,916
Connecticut	278	$222,287,115	$5,644,593	$55,901,952	20.1%	$278,189,067
Delaware	294	$85,666,298	$412,392	$46,119,154	35.0%	$131,785,452
District of Columbia	146	$52,398,351	$358,893	$11,356,931	17.8%	$63,755,282
Florida	4,016	$1,324,706,230	$2,195,240	$123,715,085	8.5%	$1,448,421,315
Georgia	921	$399,529,273	$1,219,313	$104,959,953	20.8%	$504,489,226
Hawaii	59	$109,780,203	$6,289,699	$32,278,829	22.7%	$142,059,032
Idaho	227	$109,821,245	$527,987	$15,557,128	12.4%	$125,378,373
Illinois	1,084	$955,848,131	$4,299,080	$292,216,417	23.4%	$1,248,064,548
Indiana	774	$498,046,576	$643,471	$176,561,333	26.2%	$674,607,909
Iowa	1,324	$379,483,230	$286,619	$266,916,029	41.3%	$646,399,259
Kansas	711	$332,405,378	$2,291,211	$173,242,774	34.3%	$505,648,151
Kentucky	940	$247,110,212	$262,883	$72,607,506	22.7%	$319,717,718
Louisiana	548	$215,212,599	$392,724	$27,505,596	11.3%	$242,718,195
Maine	492	$114,077,226	$682,988	$42,551,521	27.2%	$156,628,747
Maryland	456	$408,993,719	$7,428,787	$407,852,715	49.9%	$816,846,433
Massachusetts	431	$242,375,199	$1,621,542	$73,298,533	23.2%	$315,673,732
Michigan	2,219	$819,108,063	$3,487,256	$369,318,508	31.1%	$1,188,426,571
Minnesota	1,064	$478,943,438	$1,676,496	$321,437,637	40.2%	$800,381,075
Mississippi	512	$233,145,849	$1,395,738	$47,627,116	17.0%	$280,772,965
Missouri	1,041	$277,544,406	$266,613	$118,003,056	29.8%	$395,547,462
Montana	954	$170,067,294	$1,720,781	$40,413,744	19.2%	$210,481,038
Nebraska	664	$183,414,683	$4,720,198	$75,264,890	29.1%	$258,679,573
Nevada	264	$129,497,251	$490,520	$45,932,277	26.2%	$175,429,528
New Hampshire	263	$91,830,994	$349,167	$30,040,126	24.6%	$121,871,120
New Jersey	590	$310,850,099	$1,768,481	$81,770,480	20.8%	$392,620,579
New Mexico	627	$208,090,816	$670,231	$65,668,405	24.0%	$273,759,221
New York	756	$659,994,081	$873,008	$399,320,363	37.7%	$1,059,314,444
North Carolina	1,303	$570,307,430	$437,688	$137,364,396	19.4%	$707,671,826
North Dakota	424	$94,394,203	$1,085,922	$32,979,958	25.9%	$127,374,161
Ohio	1,252	$649,574,886	$1,066,503	$201,663,593	23.7%	$851,238,478
Oklahoma	434	$164,664,652	$379,412	$40,717,259	19.8%	$205,381,911
Oregon	362	$221,358,494	$3,142,052	$74,434,430	25.2%	$295,792,924
Pennsylvania	1,331	$763,354,731	$3,363,767	$148,108,624	16.2%	$911,463,356
Rhode Island	290	$160,747,548	$6,294,746	$36,521,514	18.5%	$197,269,062
South Carolina	909	$225,956,729	$3,468,566	$95,484,824	29.7%	$321,441,553
South Dakota	288	$73,232,694	$891,239	$33,545,401	31.4%	$106,778,094
Tennessee	939	$496,150,755	$5,682,062	$114,879,002	18.8%	$611,029,757
Texas	1,004	$1,390,994,821	$3,649,130	$354,221,516	20.3%	$1,745,216,336
Utah	268	$112,856,588	$421,107	$29,819,148	20.9%	$142,675,736
Vermont	545	$94,212,344	$1,066,343	$27,383,969	22.5%	$121,596,313
Virginia	1,072	$471,590,271	$439,916	$368,228,684	43.8%	$839,818,955
Washington	1,142	$353,932,223	$3,067,780	$187,489,817	34.6%	$541,422,039
West Virginia	647	$107,842,132	$166,680	$28,495,591	20.9%	$136,337,723
Wisconsin	761	$229,989,549	$302,220	$63,866,681	21.7%	$293,856,230
Wyoming	522	$98,752,422	$1,551,482	$22,535,502	18.6%	$121,287,924
Total	**41,522**	**$17,983,182,254**	**$1,785,802**	**$6,621,719,316**	**26.9%**	**$24,604,901,570**

All states are allowed by law to count the value of donations (i.e., cash, land, materials or services) toward the nonfederal share. While some states recognize these in-kind donations as part of the nonfederal share, others do not. State-specific policies can be found on the TrADE website: **railstotrails.org/policy/trade/states**.

States report nonfederal share information in different ways. Some states report the entire nonfederal share of project costs, while others (e.g., Florida) report only the portion of the nonfederal 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 was made to collect accurate project-level data from states. However, there are a few inconsistencies in the dataset.

For example, in some 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 (for instance, 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, a few states have programming totals that are higher than their available balances—the amount available before obligations were made. Possible reasons for this include the following:

- States program more than their apportionments, with the expectation that some projects will be dropped or that 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 phase 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 32 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 TE/TAP/TASA through transfers, inactivity or allowing funds to lapse. The second year of implementation under the Infrastructure Investment and Jobs Act (IIJA) includes indications that some states are renewing their commitment to implement TE/TAP/TASA, given new restrictions on transfers and growing demand for safe active transportation and infrastructure. 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, improve safety, strengthen the local economy, enhance quality of life and protect the environment.

A greater emphasis has been placed on safety, economic development and rural communities, and this is demonstrated through project selection in many states. TASA funds can be used on activities in furtherance of a Vulnerable Road User Safety Assessment, which all states are required to develop as part of their Highway Safety Improvement Program (HSIP). Some states are taking advantage of this in their project selection criteria. A few states are using HSIP funds as a match toward the non-federal share of the costs of a TASA project if the project is an eligible highway safety improvement project and is consistent with the state's Strategic Highway Safety Plan (SHSP). Several states are providing match assistance and technical assistance to low-population rural communities.

OBLIGATIONS

In fiscal year (FY) 2024, the combined obligation rate for TE, TAP and TASA was 80%, up from 62% for FY 2023. States must actively obligate funds at a higher rate to meet the growing demand for safe places to walk and bike, and make effective use of increased TA funding. Where states have accumulated a high unobligated balance, they will need to obligate more than 100% in a fiscal year to reduce the balance.

LOOKING AHEAD

Since 1992, TE/TAP/TASA has provided $17.78 billion in project awards to support the development and implementation of thousands of trail, walking and biking projects in hundreds of communities. Despite the positive impact of Transportation Alternatives (TA) and a funding increase in recent legislation, the amount of funds available is not nearly enough to satisfy the demand across the United States, and many TA-eligible projects go unfunded each year.

In the fall of 2021, IIJA was passed. The legislation was important for TA because it received a 70% average increase over the next five years, providing states with a new opportunity to address some of the unprecedented demand for trail and active transportation projects across the country.

States are more likely to benefit from this increased funding when they have a pipeline of projects to be funded. Having projects in the pipeline increases the speed at which a state can obligate funds, particularly when program changes result in more available funding.

Alongside the increase in funds, IIJA allows states to use up to 5% of funds for the creation and implementation of TA technical assistance programs, which may help communities with the greatest needs and with limited capacity to effectively access TA funds.

Trail and active transportation networks can play a critical role in reducing serious injuries and fatalities for vulnerable road users by providing safe connections and routes that limit vehicle interactions and create rights-of-way that people are comfortable using. As states continue to have increased funding over the next few years, they should consider creating a large grant category focused on improving infrastructure connectivity between communities and to destinations within communities.

The third year of IIJA implementation shows a stronger performance by states in program implementation. More funds are being obligated with a higher percentage obligation rate even with substantially greater allocations. A greater emphasis is being placed on connectivity, safety and economic development. Matching funds are one of the most often cited barriers to successfully accessing federal funds for active transportation projects, especially for rural communities. Match assistance and technical assistance are increasing access to federal active transportation funds, especially in some states that have provided statewide sources of funds to meet match requirements. In addition, project award size is notably increasing, with many states raising the ceiling on maximum awards and increasing average grant size across the board. Finally, IIJA makes it more difficult to transfer funds away from the program. As a result, transfers have been reduced, ensuring that fewer funds are diverted from their intended use.

Since the inception of dedicated TE/TAP/TASA programs, states have been able to make smart investments in trails, walking and biking with strong, proven returns including creating jobs and improving access to recreation and active transportation opportunities. Under IIJA, increased funding and policy reforms have enabled states and regions to accelerate development of safe and convenient walking and biking facilities in response to growing demand.

Note

[i] "Transportation Alternatives Set-Aside Implementation Guidance as Revised by the Infrastructure Investment and Jobs Act," U.S. Department of Transportation Federal Highway Administration, Gloria M. Shepherd, effective March 30, 2022, rtc.li/fhwa-ta-guidance2022.

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