



U.S. Department
of Transportation
**Federal Transit
Administration**

Administrator

1200 New Jersey Avenue, SE
Washington, DC 20590

May 22, 2020

Mr. Jim Tymon
Executive Director
American Association of State Highway
and Transportation Officials
555 12th St. NW, Suite 100
Washington, DC 20004

Dear Mr. Tymon:

Thank you for your letter concerning the COVID-19 public health emergency and its impact on States and public transit agencies. The Federal Transit Administration (FTA) is committed to supporting States and public transit agencies during these challenging times. On March 13, 2020, FTA made all operating and capital projects implemented in response to COVID-19 using previously apportioned Rural and Urbanized Area Formula funds eligible for an increased Federal share of 80 percent, and on April 19, 2020 increased the Federal share of such projects to 100 percent. Furthermore, on March 27, 2020, the President signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which provides \$25 billion to transit agencies to help prevent, prepare for, and respond to the COVID-19 public health emergency at a 100 percent Federal share.

During times like this, we all appreciate the vital role that transit plays in connecting people to critical goods and services. Your letter highlights several issues of concern to State Departments of Transportation (DOTs) and their subrecipients: providing emergency funds to State DOTs and subrecipients in a timely manner; waiving the next National Transit Database (NTD) reporting period(s) by implementing the National Disaster Hold Harmless Adjustment provision; and waiving incidental use requirements to allow public transit agencies to provide meal delivery services to individuals who are homebound due to COVID-19.

The FTA is fully committed to providing funds to State DOTs in a timely manner and will ensure grantees know how to apply for, receive and use the CARES Act funds promptly. On April 2, only six days after the CARES Act was signed into law by the President, FTA published the Fiscal Year 2020 CARES Act Apportionments for the Rural Area Formula Program and the Urbanized Area Formula Program and provided guidance on funding requirements. These funds are currently available and FTA is accepting applications. As of May 19, 2020, FTA has awarded 37 CARES Act grants to State DOTs totaling \$1.2 billion, with 23 more grants for State DOTs and territories in development totaling \$880 million.

To assist States in obligating CARES Act grants quickly, FTA will permit a State to deviate from its existing State Management Plan in developing a program of projects for CARES Act funds without prior approval from FTA. Additionally, FTA understands that the needs of the

States and their subrecipients may change over time and FTA is prepared to support the need for State DOTs to assess the impacts of this emergency by awarding grants based on the priorities of the transit systems they support.

Regarding NTD reporting requirements, FTA recognizes the unprecedented challenges facing our grantees and the agency continues to identify ways to provide relief. The FTA currently is examining steps that will mitigate the impact of reducing service on the allocation of formula funds.

We are aware of the changing needs of communities that are accustomed to relying on public transit services during this crisis. Many transit providers in rural areas have become the only option available for providing meals to individuals who are homebound. FTA-funded assets, such as vehicles and facilities, may be used for non-transit purposes if that use does not interfere with the intended transit uses of the asset. FTA has determined that CARES Act funds and previously apportioned Rural and Urbanized Area formula funds may be used to pay for the operational costs of such service for up to six months from January 20, 2020 at a 100 percent Federal share. In addition, these services are eligible for reimbursement under the Federal Emergency Management Agency's Public Assistance program. FTA does not have the legal authority to issue a similar waiver for the Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities Program.

Thank you for taking the time to express your concerns to us. We remain committed to maintaining a strong partnership with the American Association of State Highway and Transportation Officials and its members, especially during this difficult time.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Jane Williams". The signature is fluid and cursive, with a long horizontal stroke at the end.

K. Jane Williams
Acting Administrator