



FEDERAL TRANSIT ADMINISTRATION

Coronavirus Response and Relief Supplemental Appropriations Act, 2021



U.S. Department of Transportation
Federal Transit Administration

This webinar does not have the force and effect of law and is not meant to bind the public in any way. The webinar is intended only to provide clarity to the public regarding existing requirements under the law or agency policies. Grantees and subgrantees should refer to FTA's statutes and regulations for applicable requirements.

FTA's Response to COVID-19

- Quickly allocated \$25 billion in CARES Act funds to help transit providers respond to COVID-19
- Used flexibilities under FTA's Emergency Relief Program to allow Urban Area (5307) and Rural Area (5311) formula funding to be used at 100 percent federal share for COVID-19 related expenses, including operations expenses for large urban recipients
- Provided administrative relief to transit providers by extending deadlines for competitive grant applications and due dates for grant reporting, postponing oversight reviews until FY 2021, and postponing certain National Transit Database reporting requirements
- Issued Safety Advisory 20-1 (Recommended Actions to Reduce the Risk of COVID-19 Among Transit Employees and Passengers)
- Distributed more than 14 million cloth face coverings to 2,200 transit systems

CARES Act Funding Summary

- The CARES Act provided \$25 billion in funding to support the transit industry response to COVID-19
 - Urbanized Area Formula Program (49 USC 5307):
\$22.7 billion
 - Formula Grants for Rural Areas (49 USC 5311):
\$2.2 billion
 - Includes \$30 million for Tribal Transit formula program
 - \$75 million for administration and oversight

CARES Act Funding To Date

As of January 5, 2021, FTA has awarded 778 CARES Act grants, obligated \$23.6 billion, (95% of total CARES Act funding) and disbursed \$14.9 billion (60% of total CARES Act funding).

| CARES ACT OBLIGATIONS AND DISBURSEMENTS | | | | Current as of 1/5/2021 | |
|--|-------------------------|-------------------------|-------------------|-------------------------|-------------------|
| TYPE OF GRANT | TOTAL FUNDS APPORTIONED | OBLIGATED AMOUNT | PERCENT OBLIGATED | AMOUNT DISBURSED | PERCENT DISBURSED |
| 5307 Urbanized Area Formula | \$22,696,291,664 | \$21,643,234,300 | 95% | \$14,503,495,209 | 63.90% |
| 5311 Rural Area Formula (Appalachian Development included) | \$2,198,708,336 | \$1,982,675,653 | 90% | \$491,243,850 | 22.34% |
| 5311 Tribal Formula | \$30,000,000 | \$21,589,376 | 72% | \$5,170,748 | 17.24% |
| TOTAL | \$24,925,000,000 | \$23,647,499,329 | 95% | \$14,941,133,809 | 60% |

Coronavirus Response and Relief Supplemental Appropriations Act, 2021

- The Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA) provides \$14 billion to support the transit industry in response to COVID-19
 - Urbanized Area Formula Program (49 USC 5307):
\$13.26 billion
 - Formula Grants for Rural Areas (49 USC 5311):
\$678 million (includes \$30 million for Tribal formula)
 - Enhanced Mobility of Seniors and Individuals with Disabilities (49 USC 5310): \$50 million
 - \$10 million for administration and oversight

CRRSAA Overview

- Allocates supplemental funding for the Enhanced Mobility of Seniors & Individuals with Disabilities Program (Section 5310)
- Emphasizes that funding is made available for payroll and operations of public transportation first and foremost
- Permits private providers of public transportation to be a subrecipient
- Total allocated CARES Act and CRRSAA amounts for urban areas may not exceed 75% of 2018 NTD reported operating costs
- Total allocated CARES Act and CRRSAA amounts for each state's rural areas may not exceed 125% of 2018 NTD reported operating costs

Apportionment Tables

- Federal Apportionments are allocated at the urbanized area or State (not recipient or subrecipient) level
- The governor determines the designated recipient of urbanized area apportionments
 - The designated recipient must inform FTA of the arrangement in an allocation or “split letter,” which establishes the allocation of Section 5307 funds in a large UZA
 - A state must inform FTA of such arrangements in an annual apportionment letter for funds attributable to small UZAs
- Recipients (grantees) in shared UZAs are encouraged to coordinate with the designated recipient of that urbanized area to obtain their allocation
- Subrecipients (subgrantees) are encouraged to coordinate with FTA recipients (grantees) to obtain their allocation

Urbanized Area Formula (5307) CARES and CRRSAA

- Total 5307 urbanized area amounts for CARES Act and CRRSAA may not exceed 75% of 2018 NTD reported operating costs for the urbanized area
- Urbanized areas whose CARES Act funds exceeded 75% of 2018 NTD operating expenses:
 - Will not be allocated additional funds under the CRRSAA
 - Will not be required to return CARES funding
- Urbanized areas whose CARES Act funds were less than 75% of 2018 NTD operating expenses will receive additional funds from CRRSAA up to the 75% threshold
- Recipients should visit FTA's published Apportionment tables for specific amounts in your area

Urbanized Area Formula (5307) CARES and CRRSAA

- **CRRSAA -- \$13,261,831,064**
- **Apportioned in accordance with Section 5307 (Section 5336) and Section 5337 (State of Good Repair)**
 - CARES Act also included 5340 Growing States and High Density States Formulas
- **Proportional to FY20 Appropriations: ~ 65% 5307, 35% 5337**
- **Excludes:** Set asides for Passenger Ferry Competitive Program and State Safety Oversight Formula
- **CARES Act Urbanized Area Funds: \$22,696,291,664**
 - Areas received between 27% and 125,377% of 2018 Operating Expenses
 - 140 Areas received less than 75% of 2018 Operating Expenses (360 were above 75%)

Rural Area Formula (5311) CARES and CRRSAA

- Total 5311 rural area amounts for CARES Act and CRRSAA for a state may not exceed 125% of 2018 NTD reported rural operating costs
- States whose CARES Act funds exceeded 125% of 2018 NTD operating expenses:
 - Will not be obligated additional funds
 - Will not be required to return CARES funding
- States whose CARES Act funds were less than 125% of 2018 NTD rural operating expenses will receive additional funds from CRRSAA up to the 125% threshold
- States should visit FTA's published Apportionment tables for specific amounts
- The intercity bus requirement does not apply to CRRSAA funding, although intercity bus is still an eligible expense. Additional funding for Intercity Bus is administered by the Department of Treasury.

Rural Area Formula (5311) CARES and CRRSAA

- **CRRSAA -- \$648,169,702 Rural Formula; \$30,000,000 Tribal Formula**
- **Tribal Formula Apportioned same as FY2020 Appropriation and CARES**
- **Rural Formula Apportioned in accordance with Section 5311**
 - CARES Act also included 5340 Growing States Formula
 - Funds are apportioned to States and States determine the allocation to subrecipients
- **Excludes:** Set asides for Rural Transit Assistance Program, Tribal Competitive Program
- **CARES Act Rural Area Funds: \$2,178,708,336**
 - States received between 26% and 350% of 2018 Rural Operating Expenses
 - 22 State/Territories received less than 125% of 2018 Rural Operating Expenses (32 were above 125%)

Enhanced Mobility of Seniors & Individuals with Disabilities Formula (5310) CRRSAA Only

- CRRSAA allocated \$50M for 5310 public transportation providers nationwide – CARES Act did not provide funding for 5310 operations
- Section 5310 funds are apportioned to Designated Recipients in large urbanized areas and to States in small urbanized and rural areas
 - Designated Recipients and States determine the allocation to subrecipients
- Eligible for operating at 100% federal share
- Requirement to use 55% of funds for traditional capital projects does not apply to CRRSAA funds
- The Coordinated Human Services Transportation Plan requirement for Section 5310 applies to CRRSAA funding
- Permits previously appropriated (unobligated) 5310 funds to be awarded at 100%
 - Non-CRRSAA funding must still meet the 55% requirement and be included in a coordinated plan

Eligible Expenses

- CRRSAA and unobligated CARES Act funding should be directed to the maximum extent possible:
 - **To payroll and operations of public transit (including payroll and expenses of private providers of public transportation)**
 - *Unless the recipient certifies to FTA that the recipient has not furloughed any employees. Expenses subject to this requirement include capital expenses such as vehicle procurements or facility construction.*

Eligible Expenses (cont.)

- Operating expenses for all recipients, including large urbanized areas, are still eligible beginning January 20, 2020. Examples include:
 - Administrative leave of operations personnel due to reductions in service or quarantine
 - Vehicle operator salaries
 - Fuel
 - Items with useful life less than 1 year

Features of both CARES Act and CRRSAA

- 100 percent federal share for all projects funded by CARES Act and CRRSAA
- Pre-award authority for all projects starting on January 20, 2020
 - Expenses may be incurred prior to grant award
- Funds are available until expended
 - No lapse date
 - Recipients are encouraged to use funds expeditiously for operating and payroll expenses

Program Requirements

- **All Federal transit program requirements apply to CARES Act and CRRSAA funding:**
 - Department of Labor (DOL)
 - Certification for 5307
 - Informational purposes for 5311
 - Not applicable for 5310
 - New split letters required (as applicable)
- **Exception:** Some expenses do not need to be in a TIP/STIP or long-range transportation plan
 - Operating expenses
 - Capital expenses that do not involve a substantial change to the location, function, or capacity of an asset

Emergency Relief Docket

- Appropriate for grantees who need to ask for additional regulatory or statutory relief above and beyond what is already provided, based on their specific circumstances
- Docket FTA-2021-0001 at www.regulations.gov
- For all other questions, please contact your FTA Regional Office

CRRSAA Coding in TrAMS

New Application in TrAMS

- Section code is by program: 5307 – **90**, 5311 – **18**, and 5310 – **16**
- Appropriation Code is **28**

| Short Code | Program | Account Class Code | Fiscal Year | Approp. Code | Section Code | LIM Code |
|------------|---------------------------|-------------------------|-------------|--------------|--------------|-----------|
| 5307-8 | Urbanized Area (CRRSAA) | 2021. 28.90.CR.1 | 2021 | 28 | 90 | CR |
| 5311-9A | Rural Area (CRRSAA) | 2021. 28.18.CR.1 | 2021 | 28 | 18 | CR |
| 5311-9B | Tribal (CRRSAA) | 2021. 28.18.TR.1 | 2021 | 28 | 18 | TR |
| 5310-1B | Mobility States (CRRSAA) | 2021. 28.16.SR.1 | 2021 | 28 | 16 | SR |
| | Mobility 50-200K (CRRSAA) | 2021. 28.16.MR.1 | 2021 | 28 | 16 | MR |
| | Mobility >200K (CRRSAA) | 2021. 28.16.LR.1 | 2021 | 28 | 16 | LR |

Separate TrAMS Grants

- CRRSAA grants entered in to TrAMS should not be combined with any other funding sources, including CARES Act funding
- Similarly, CARES Act funding entered in to TrAMS should not be combined with any other funding source (i.e. a supergrant)

CRRSAA Disbursements

Drawdowns in ECHO-Web

- Electronic Clearing House Operation (ECHO)-Web is a web application that allows FTA grant recipients to request payments from their grant awards
- Payments are processed twice a day, Monday - Friday
- Funds requested by 2pm eastern time on business days are usually deposited to the requester's bank account the next business day
- Initiate a payment request only for immediate disbursement needs
 - Excess funds held longer than three days must be returned to FTA along with any interest earned
- Notify your FTA Regional Office if payment request will exceed \$50 million
 - FTA must provide Treasury with 72 hours prior notice for requests exceeding \$50 million

For More Information

- FTA's website – please visit transit.dot.gov
 - FAQs are posted with updates on the way
 - CARES Act apportionment tables for Urbanized Area, Rural Area, and Tribal Transit are available
 - The CRRSAA apportionment tables for Urbanized Area, Rural Area, Tribal Formula and Enhanced Mobility for Seniors and Disabled Individuals are posted
 - A recorded webinar will be posted for future viewing
- Coronavirus Response and Relief Supplemental Appropriations Act, 2021 Apportionment Notice to be published in the Federal Register



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