

Sub-part 6101 – Public Transit

Chapter 53007 Distribution of Transportation Program Funds

Purpose

- 100 Describes options for transfers among programs and method for distribution of funds to subrecipients and contractors.
- 101 Describes options available for transfer of federal funds among Federal Transit Administration programs along with MDOT's methods used to ensure that federal grant funds and state assistance are distributed equitably among eligible subrecipient and contractors.
- 102 MDOT is committed to ensuring the equitable distribution of transportation resources in rural and small urban areas. To the greatest extent practical MDOT will make use of competitive application process and procedures, as well as data from available plans, needs assessments or studies to assist in the distribution of federal funds. Chapter V, Part B-D of the most recent version of the approved State Management Plan (SMP) for Federal Transit Administration funded transportation programs describes the considerations, methods and procedures for annual distribution of funds. (The SMP is available through the Public Transit Division.)
- 103 The transfer of apportioned or carryover funds may impact resources that are available for local transit providers and municipalities. The MDOT, in accordance with the Surface Transportation Program (STP) provisions, may periodically review the need to transfer and/or allocate STP funds, Congestion Management and Air Quality Improvement Program funds (CMAQ) as well as certain other federal funds that are considered flexible funds by the provisions of federal legislation and/or guidance, to support public transit projects. It is the MDOT's policy that in accordance with FTA guidance, with the exception of the following projects, rural projects that may be funded with these transfer funds will be selected by the MDOT after consultation with affected local officials:
1. projects on the National Highway System and
 2. bridge and Interstate maintenance funds.
- 104 The MDOT shall consider all transferred funds, e.g. STP, CMAQ or other flexible funds, under the program requirements as apportioned Section 5311 funds, with one exception. These transfer funds are limited to funding non-operating costs. Non-operating costs include capital and project administration
- 105 The request for transfer of STP, CMAQ or other flexible federal funds to the Section 5311 program shall be approved by formal action of the Transportation Commission.
- 106 After reviewing the requests for Section 5310 funds, annually the MDOT may transfer Section 5310 funds to the Section 5311 or to a Section 5307 urbanized area (under 200,000

population) program/project. These transferred funds may be used for non-operating expenses only.

Notification of Transfers

200 All transfers of Section 5311, Section 5307 and Section 5310 funds will be done in accordance with the appropriate FTA program circulars or regional office guidance. Requests for transfer will generally originate within the Public Transit Division and be done after consultation with affiliated recipients.