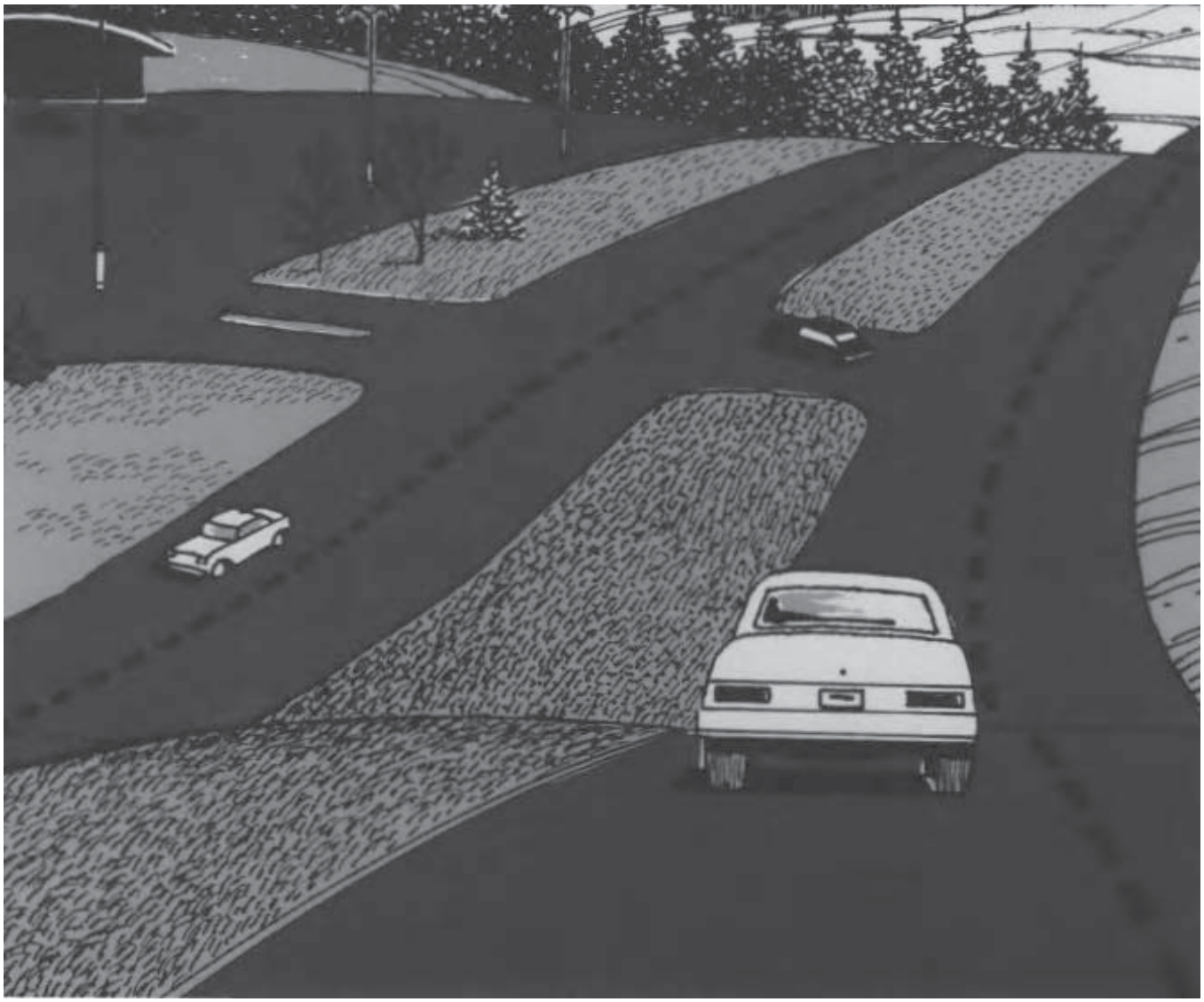
U.S. Department of Transportation
Federal Highway Administration

A Guide To Federal-Aid Programs And Projects



Federal Highway Administration
Office of Program Administration

Congestion Mitigation And Air Quality Improvement Program (CMAQ)
Updated November 1, 2012

STATUS: ACTIVE

PROGRAM CODES:
- 3200 -- CMAQ
- 32A0 -- CMAQ 100% Safety
- 3AZ0 -- CMAQ-FTA
- 3610 - Congestion Relief Project
- 3BD0 - Congestion Relief Demo.-FTA
- Q400 -- CMAQ TEA-21
- QC10 -- CMAQ FTA
- Q420 -- CMAQ 100% Safety
- H400 -- CMAQ STEA03
- HV20 -- Highways for Life - CMAQ 10% Limit
- L400 -- SAFETEA-LU CMAQ
- LV20 - Highways for Life - CMAQ 10% Limit
- L40E – CMAQ SAFETEA-LU Ext.
- L40R – CMAQ SAFETEA-LU Restored (P.L. 111-147 Sec. 413)
- LV2E - Highways for Life – CMAQ 10% Limit – SAFETEA-LU Ext.
- M400 – CMAQ (MAP-21 Section 1101(a)(1))
- M401 – CMAQ Flexible Funding (MAP-21 Section 1113(b)(3))
- M003 – CMAQ Projects to Reduce PM 2.5 Emissions (MAP-21 Section 1113(b)(6))

FEDERAL SHARE: The Federal share for CMAQ funds is governed by 23 U.S.C. 120. It is generally 80 percent, subject to the upward sliding scale adjustment for States containing public lands). Certain safety projects that include an air quality or congestion relief component, e.g. carpool/vanpool projects, as provided in 23 USC 120(c) may have a Federal share of 100 percent , but this provision is limited to 10 percent of the total funds apportioned to a State under 23 U.S.C. 104. The 100 percent Federal share provision (from P.L. 110-140) covered only 2008 and 2009 and was not extended by MAP-21.

PERIOD AVAILABLE: They are available for obligation for a period of three years after the last day of the fiscal year for which the funds are authorized.

FUND: Highway account of the Highway Trust Fund

FUND DISTRIBUTION METHOD: Apportionment

AUTHORITY: Contract

SUBJECT TO OBLIGATION LIMITATION: Yes

STATUTORY REFERENCE: 23 U.S.C. 149 (as amended by MAP-21 Sec 1113)

CFR REFERENCE: None

ELIGIBILITY: Generally, projects eligible under the CMAQ program prior to enactment of MAP-21 remain eligible with the new authorization. All CMAQ projects must demonstrate the three primary elements of eligibility: transportation identity, emissions reduction, and location in or benefitting a nonattainment or maintenance area. While project eligibilities are continued, there is some modification with new language placing considerable emphasis on select project types including electric and natural gas vehicle infrastructure and diesel retrofits. As in past authorizations of the program, projects must be included in a Metropolitan Planning Organization (MPO) transportation plan and transportation improvement program (TIP), or the current Statewide TIP in areas that are not part of an MPO. The MPO plans and programs must also have a transportation conformity determination in place, where applicable. In addition, CMAQ

investments must comply with the appropriate Federal cost principles, such as 2 CFR 225, the guidelines for State, local, and tribal governments.

Eligible Activities Include:

1. Acquisition of diesel retrofits, including tailpipe emissions control devices, and the provision of diesel-related outreach activities.
2. Intermodal equipment and facility projects that target diesel freight emissions through direct exhaust control from vehicles or indirect emissions reductions through improvements in freight network logistics.
3. Alternative fuel projects including participation in vehicle acquisitions, engine conversions, and refueling facilities.
4. Establishment or operation of a traffic monitoring, management, and control facility, including the installation of advanced truck stop electrification systems.
5. Projects that improve traffic flow, including efforts to provide signal systemization, construct HOV lanes, streamline intersections, add turning lanes, improve transportation systems management and operations that mitigate congestion and improve air quality, and implement ITS and other CMAQ-eligible projects, including efforts to improve incident and emergency response or improve mobility, such as through real time traffic, transit and multimodal traveler information.
6. Projects or programs that shift travel demand to nonpeak hours or other transportation modes, increase vehicle occupancy rates, or otherwise reduce demand through initiatives, such as teleworking, ridesharing, pricing, and others.
7. Transit investments, including transit vehicle acquisitions and construction of new facilities or improvements to facilities that increase transit capacity. The MAP21 provision on operating assistance (23 USC 149(m)) is being reviewed and guidance interpreting the provision will be issued in the future.
8. Non-recreational bicycle transportation and pedestrian improvements that provide a reduction in single-occupant vehicle travel.
9. Vehicle inspection and maintenance programs.

Ineligible Activities:

No funds may be used to add capacity except for HOV facilities that are available to SOV only at off-peak times.

BACKGROUND: The CMAQ program was established by the Intermodal Surface Transportation Act of 1991 (1991 ISTEA, Public Law 102-240) and was continued by the Transportation Equity Act for the 21st Century (TEA-21, Public Law 105-178) and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) under 23 U.S.C. 149.

Under 23 U.S.C. 104(b)(2)(B)(pre-MAP-21), each State was apportioned funding based on county populations residing within ozone and carbon monoxide (CO) nonattainment and maintenance areas and the severity of the areas' air quality problems. Extra weighting was given to nonattainment or maintenance areas with both ozone and CO problems.

The Energy Independence and Security Act of 2007 (EISA), Public Law 110-140 included a provision in Section 1131, to increase the Federal share for the CMAQ program (23 U.S.C. Section 120(c)(2)(pre-MAP-21)). In enacting the provision, Congress established an 80 percent Federal share subject to new flexibility for a State to increase the Federal share payable on a CMAQ project up to 100 percent of the cost, if funds are obligated in fiscal year 2008 or 2009, and further subject to Section 120(i), which provides that a State may increase the non-Federal share for a project subject to criteria that the Secretary may establish. Consequently, there is no absolute minimum of 80 percent Federal share. As of December 20, 2007, funds obligated under the CMAQ program (23 U.S.C. 149), could be increased up to 100 percent of the total cost, at the discretion of the State, if funds were obligated in fiscal years 2008 and 2009. This provision to increase the Federal Share payable up to 100% was extended by the enactment of the Surface Transportation Extension Acts until October 1, 2012.

Moving Ahead for Progress in the 21st Century (MAP-21) extended the CMAQ program with the eligibilities shown above, and MAP-21 Section 1105, moved the apportionment of CMAQ funds to 23 U.S.C. 104(b)(4). MAP-21's approach to distribution of formula funds is based on the amount of formula funds each State received in FY 2012. Once each State's total Federal-aid apportionment is calculated, an amount is set aside for the State's CMAQ program through a calculation based on the size of the State's FY 2009 CMAQ apportionment relative to the State's total FY 2009 apportionments; the longstanding CMAQ statutory apportionment formula was not retained by MAP-21. Amounts for State Planning and Research and the Transportation Alternatives Program are set aside from each State's CMAQ apportionment. MAP-21 requirements went into effect on October 1, 2012 and apply to all related funding obligated on or after that date, whether carryover or new funds. MAP-21 included several other provisions as outlined below:

Performance Management: The CMAQ program has new performance-based features. The Secretary will establish measures for States to use for assessing traffic congestion and on-road mobile source emissions. Each MPO serving a Transportation Management Area (TMA) with a population of more than one million and also representing a nonattainment or maintenance area is required to develop a performance plan to achieve emission and congestion reduction targets. The MPO plans must be updated biennially and each update must include a retrospective assessment of the progress made toward the air quality and traffic congestion performance targets through the last program of projects.

State Flexibility:

1. A State without a nonattainment or maintenance area may use its CMAQ funds for any CMAQ- or Surface Transportation Program (STP)-eligible project.
2. States with a nonattainment or maintenance area that received a minimum apportionment in FY 2009 may use part of their current CMAQ funds for any STP-eligible project. The amount is based on the proportion of the State's FY 2009 CMAQ apportionment that could be obligated in any area of the State for STP-eligible projects.
3. The amount that may be obligated in any area of the State for STP-eligible projects is to be adjusted if a new nonattainment area is designated, a nonattainment area re-designated as an attainment (including maintenance) area, or a standard is fully revoked in an existing nonattainment or maintenance area.

Priority for PM2.5 Areas: The legislation calls for a State that has PM 2.5 (fine particulate matter) nonattainment and maintenance areas to use a portion of its CMAQ funds, based on population in PM 2.5 nonattainment areas, for projects that reduce PM 2.5 in such areas. Diesel retrofits are highlighted in MAP-21 as eligible to effect such mitigation. Further information on this section will be provided in the future.

Transferability: MAP-21 changed the approach to transfer of CMAQ funds to other elements of the Federal-aid program. Transfers of CMAQ funds no longer are subject to a special statutory formula but follow the maximum 50 percent transfer guideline provided in Transferability of Federal-aid at 23 U.S.C. 126. Exercising this transfer authority could impact traffic congestion and on-road mobile source emissions, the progress of which will be reported once performance measures are established under 23 U.S.C. 150. States continue to have the ability to transfer (or "flex") CMAQ funds to FTA for award as a grant under Chapter 53 of Title 49, as they did under SAFETEA-LU [see 23 U.S.C. 104(f)].

Evaluation of Projects: The Secretary must maintain and disseminate a cumulative database describing the impacts of projects, including project name, location, sponsor, cost, and cost-effectiveness (based on reduction in congestion and emissions) to the extent already measured. The Secretary, in consultation with EPA, shall evaluate cost effectiveness of projects periodically, for use by States and MPOs in project selection.

ADDITIONAL INFORMATION: Contact the Office of Natural and Human Environment (HEPN).