

## Memorandum

Subject: **INFORMATION:** Clarified Waiver of the Non-Federal Match for State Planning and Research and Metropolitan Planning Funds in Support of Complete Streets Planning Activities (BIL § 11206) Date: August 13, 2024

From: Emily Biondi Associate Administrator for Planning, Environment and Realty

In Reply Refer To: HEPP-1

To: Division Administrators Directors of Field Services

> The purpose of this memorandum is to clarify the FHWA's waiver of the non-Federal share for State Planning and Research (SPR) and Metropolitan Planning (PL) funds used for Complete Streets planning activities.

Section 11206(b) of the Bipartisan Infrastructure Law (BIL) requires States and Metropolitan Planning Organizations (MPOs) to use not less than 2.5 percent of their SPR and PL funds for eligible Complete Streets planning activities described at Section 11206(c). Additionally, Section 11206(d) of BIL provides that the Federal share for such projects shall be 80 percent unless the Secretary finds that the interests of the Federal-aid highway program are best served by decreasing or eliminating the non-Federal share.

On January 5, 2023, FHWA determined that the interests of the Federal-aid highway program would be best served by eliminating the non-Federal match on SPR and PL funds used on Complete Streets planning activities as provided under BIL § 11206(d) (see <u>Waiver of Non-Federal Match for State Planning and Research (SPR) and Metropolitan Planning (PL) Funds in Support of Complete Streets Planning Activities (BIL § 11206)). Since that time, FHWA has received questions concerning the intent and scope of the determination as well as its use for all SPR and PL funds.</u>

To clarify, FHWA's waiver of the non-Federal match on SPR and PL funds also applies to Complete Streets planning activities funded above-and-beyond the minimum 2.5 percent expenditure threshold defined under Section 11206(b). Additionally, on March 10, 2023, the Federal Transit Administrator issued a <u>Dear Colleague Letter on the Non-Federal Share</u> <u>Waiver</u> for the Federal Transit Administration's (FTA's) State Planning and Research Program (SPRP) and Metropolitan Planning Program (MPP) funds (authorized at 49 U.S.C. 5305) for all Complete Streets planning activities. As originally communicated, the FHWA waiver applies only to "BIL era" SPR and PL funds obligated and expended after January 5, 2023. To be consistent with the provisions in 23 <u>CFR 630.108 (Preparation of Agreement)</u>, previous SPR and PL fund obligations using the FHWA match waiver cannot be adjusted, but this memorandum serves as the effective date for waiving the non-Federal match on SPR and PL funds used for all eligible Complete Streets planning activities (i.e., those above-and-beyond the Section 11206(b) minimum expenditure threshold). Further, as originally communicated, this FHWA match waiver ends if a State or MPO receives FHWA approval of an annual request to opt out of meeting the requirements described in Section 11206(e), which also aligns with FTA's non-Federal match waiver for SPRP and MPP funds used on Complete Streets planning activities. FHWA's BIL 11206 implementation guidance issued on April 12, 2023 will be updated and re-issued shortly to reflect this clarification.

For questions about the use of SPR and PL funds for Complete Streets activities in transportation planning processes, please contact your Planning Liaisons in the Office of Planning.