

**DEPARTMENT OF TRANSPORTATION**

**Federal Transit Administration**

**FY 2021 American Rescue Plan Additional Assistance**

**AGENCY: Federal Transit Administration (FTA), Department of Transportation (DOT).**

**ACTION: Notice of Funding Opportunity (NOFO).**

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**SUMMARY:** The Federal Transit Administration (FTA) announces the opportunity to apply for \$2,207,561,294 in discretionary grants under the American Rescue Plan Act’s Additional Assistance Funding (Additional Assistance Funding). As required by the American Rescue Plan Act, funds will be awarded to eligible recipients or eligible subrecipients of Urbanized Area Formula funds or Rural Area Formula funds that, as a result of the Coronavirus disease 2019 (COVID–19), require additional assistance for costs related to operations, personnel, cleaning, and sanitization combating the spread of pathogens on transit systems, and debt service payments incurred to maintain operations and avoid layoffs and furloughs. FTA may award additional funding made available to the program prior to the announcement of project selections.

**DATES:** Complete proposals must be submitted electronically through the GRANTS.GOV “APPLY” function by 11:59 P.M. Eastern time, November 8, 2021. Prospective applicants should initiate the process by promptly registering on the GRANTS.GOV website to ensure completion of the application process before the submission deadline. Instructions for applying can be found on FTA’s website at <https://www.transit.dot.gov/funding/grants/applying/applying-fta-funding> and in the “FIND” module of GRANTS.GOV. The funding opportunity ID is 2021-012-TPM-

AAF. Mail and fax submissions will not be accepted.

**FOR FURTHER INFORMATION, CONTACT:** For questions regarding this notice, please e-mail [FTAarpassistance@dot.gov](mailto:FTAarpassistance@dot.gov). If you need immediate assistance you may call Sarah Clements, FTA Office of Program Management, (202) 366-3062.

**SUPPLEMENTARY INFORMATION:**

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## **A. Program Description**

The American Rescue Plan Act (ARP), Pub. L. 117-2 (March 11, 2021), appropriated funding to award grants for additional assistance to transit agencies in response to COVID-19 through a discretionary process, as described in this notice. The Federal Assistance Listing numbers for this opportunity are 20.507 and 20.509.

Additional Assistance Funding is made available to eligible recipients or subrecipients of Urbanized Area Formula funds (49 U.S.C. 5307) or Rural Area Formula funds (49 U.S.C. 5311). Eligible expenses are operating costs related to operations, personnel, cleaning, and sanitization combating the spread of pathogens on transit systems, and debt service payments incurred to maintain operations and avoid layoffs and furloughs as a result of COVID-19. Additional Assistance Funding supports FTA's strategic goals and objectives through timely and efficient investment in public transportation.

## **B. Federal Award Information**

ARP appropriated \$ 2,207,561,294 in FY 2021 funds for Additional Assistance grants. FTA may award additional funding made available to the program prior to the announcement of project selections.

There is no minimum or maximum grant award amount, although FTA may cap the amount a single recipient or State may receive as part of the selection process. FTA intends to fund as many eligible projects as possible. FTA does not expect there to be sufficient funding to support shortfalls beyond September 30, 2023.

## **C. Eligibility Information**

### *1. Eligible Applicants*

Eligible applicants include eligible recipients of Urbanized Area Formula funds

(49 U.S.C. 5307) or Rural Area Formula funds (49 U.S.C. 5311) who, as a result of COVID-19, require additional assistance. This includes Indian tribes that are eligible recipients of Urbanized Area Formula funds or Rural Area Formula funds.

FTA will administer applications and awards under this NOFO in a manner similar to the Urbanized Area and Rural Area Formula funding programs. Only designated and direct recipients under those programs, including States and Indian tribes, may apply directly to FTA under this NOFO, and FTA will make awards under this NOFO only to applicants that are designated or direct recipients of those programs. A designated or direct recipient may apply on behalf of one or more public transportation subrecipients of Urbanized Area and Rural Area Formula funding.

Eligible applicants that do not currently have an active grant with FTA will, upon selection, be required to work with the FTA regional office to establish their organization as an active grant recipient. This process may require additional documentation to support the organization's technical, financial, and legal capacity to receive and administer Federal funds under this program. Traditional subrecipients of FTA funding are strongly encouraged to work with their direct/designated recipient on a consolidated application to assist with the quick obligation of these funds.

## *2. Cost Sharing or Matching*

The Federal share is 100 percent of the net project cost. Applicants will not provide match.

## *3. Eligible Projects*

Eligible projects are operating costs related to operations, personnel, cleaning, and sanitization combating the spread of pathogens on transit systems, and debt service

payments incurred to maintain operations and avoid layoffs and furloughs as a result of COVID-19. As required by ARP, amounts made available for Additional Assistance Funding are available only for operating expenses.

In general, operating expenses are those costs necessary to operate, maintain, and manage a public transportation system. Operating expenses usually include such costs as driver salaries, fuel, and items having a useful life of less than one year, including personal protective equipment and cleaning supplies. Preventive maintenance is considered an operating expense for the purposes of Additional Assistance Funding. For more information, please see Frequently Asked Question “CA2: What is eligible as an operating expense?” on FTA’s website at <https://www.transit.dot.gov/frequently-asked-questions-fta-grantees-regarding-coronavirus-disease-2019-covid-19#CARES>.

Actual and anticipated expenses incurred on or after January 20, 2020, are eligible for this funding. However, FTA does not expect there to be sufficient funding to support shortfalls beyond September 30, 2023.

#### **D. Application and Submission Information**

##### *1. Address to Request Application Package*

The application package can be downloaded from GRANTS.GOV or the FTA website at: <https://www.transit.dot.gov/funding/american-rescue-plan-act-2021>.

##### *2. Content and Form of Application Submission*

###### *a. Proposal Submission*

A complete proposal submission consists of two forms: (1) the SF-424 Application for Federal Assistance; and (2) the Additional Assistance Funding supplemental form. The supplemental form and any supporting documents must be attached to the “Attachments”

section of the SF-424. The application must include responses to all sections of the SF-424 Application for Federal Assistance and the supplemental form, unless indicated as optional. The information on the supplemental form will be used to determine applicant and project eligibility for the program, and to evaluate the proposal against the selection criteria described in Section E of this notice.

FTA will only accept one supplemental form per SF-424 submission. FTA encourages States and other applicants to consider submitting a single supplemental form that includes multiple activities to be evaluated as a consolidated proposal. If a State or other applicant chooses to submit separate proposals for individual consideration by FTA, each proposal must be submitted using a separate SF-424 and supplemental form.

Applicants may attach additional supporting documents to the SF-424 submission, including but not limited to estimates of financial need, data on reduction in farebox or other sources of local revenue for sustained operations, a spending plan for such funds, and demonstration of expenditure of greater than 90 percent of CARES Act funding allocated to the applicant. Supporting documentation should be described and referenced by file name in the appropriate response section of the supplemental form, or it may not be reviewed.

Information such as applicant name, Federal amount requested, description of areas served, etc. may be requested in varying degrees of detail on both the SF-424 and supplemental form. Applicants must fill in all fields unless stated otherwise on the forms. Applicants should not place N/A or “refer to attachment” in lieu of typing in responses in the field sections. If information is copied into the supplemental form from another source, applicants should verify that the pasted text is fully captured on the supplemental form and

has not been truncated by the character limits built into the form. Applicants should use both the “Check Package for Errors” and the “Validate Form” validation buttons on both forms to check all required fields and ensure that the Federal and local amounts specified are consistent.

*b. Application Content*

The SF-424 Application for Federal Assistance and the supplemental form will prompt applicants for the required information, including:

- a. Applicant name
- b. Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number
- c. Key contact information (including contact name, address, email address, and phone)
- d. Congressional district(s) where project will take place
- e. Project information (including title, executive summary, and type)
- f. A detailed description of the need for additional funding
- g. Data on 2018 operating expenses
- h. Data on reductions in farebox revenue and other sources of state or local funding
- i. Information on CARES Act allocations and expenditures as of the application deadline
- j. Information on CRRSAA and ARP formula funding allocations and expenditures
- k. Information on other Federal sources of funding for operating expenses
- l. A detailed project budget
- m. A detailed implementation timeline

*3. Unique Entity Identifier and System for Award Management (SAM)*

Each applicant is required to: (1) be registered in SAM before submitting an application; (2) provide a valid unique entity identifier in its application; and (3) continue to maintain an active SAM registration with current information at all times during which the applicant has an active Federal award or an application or plan under consideration by FTA. FTA may not make an award until the applicant has complied with all applicable unique entity identifier and SAM requirements. If an applicant has not fully complied with the requirements by the time FTA is ready to make an award, FTA may determine that the applicant is not qualified to receive an award and use that determination as a basis for making a Federal award to another applicant. These requirements do not apply if the applicant has an exception approved by FTA or the U.S. Office of Management and Budget under 2 C.F.R. 25.110(c) or (d)

All applicants must provide a unique entity identifier provided by SAM. Registration in SAM may take as little as 3-5 business days, but since there could be unexpected steps or delays (for example, if there is a need to obtain an Employee Identification Number), FTA recommends allowing ample time, up to several weeks, for completion of all steps. For additional information on obtaining a unique entity identifier, please visit [www.sam.gov](http://www.sam.gov).

#### *4. Submission Dates and Times*

Project proposals must be submitted electronically through GRANTS.GOV by 11:59 P.M. Eastern Time on November 8, 2021. GRANTS.GOV attaches a time stamp to each application at the time of submission. Mail and fax submissions will not be accepted.

FTA urges applicants to submit applications at least 72 hours prior to the due date to allow time to correct any problems that may have caused either GRANTS.GOV or FTA

systems to reject the submission.

Deadlines will not be extended due to scheduled website maintenance.

GRANTS.GOV scheduled maintenance and outage times are announced on the GRANTS.GOV website.

Within 48 hours after submitting an electronic application, the applicant should receive an email message from GRANTS.GOV with confirmation of successful transmission to GRANTS.GOV. If a notice of failed validation or incomplete materials is received, the applicant must address the reason for the failed validation, as described in the email notice, and resubmit before the submission deadline. If making a resubmission for any reason, include all original attachments regardless of which attachments were updated, and check the box on the supplemental form indicating this is a resubmission.

Applicants are encouraged to begin the process of registration on the GRANTS.GOV site well in advance of the submission deadline. Registration is a multi-step process, which may take several weeks to complete before an application can be submitted. Registered applicants may still be required to take steps to keep their registration up to date before submissions can be made successfully: (1) registration in SAM is renewed annually; and (2) persons making submissions on behalf of the Authorized Organization Representative (AOR) must be authorized in GRANTS.GOV by the AOR to make submissions.

Failure to submit the required information as requested may delay review or disqualify the application.

##### *5. Funding Restrictions*

ARP Additional Assistance funds may be used only for operating costs. Allowable

direct and indirect expenses must be consistent with the Governmentwide Uniform Administrative Requirements and Cost Principles (2 CFR part 200) and FTA Circular 5010.1E. Funding is being made available for reimbursement of costs normally covered by fare revenue or other non-Federal sources of funding and is not intended to support new initiatives to reduce or eliminate fares, except for temporary fare policy changes implemented to improve safety in response to the COVID-19 pandemic.

#### *6. Other Submission Requirements*

FTA may award a lesser amount than the applicant requests.

All applications must be submitted via the GRANTS.GOV website. FTA does not accept applications on paper, by fax machine, email, or other means. For information on application submission requirements, please see Section D.1., Address to Request Application Package.

### **E. Application Review Information**

#### *1. Criteria*

Applications will be reviewed primarily based on the responses provided in the supplemental form. Additional information may be provided to support the responses; however, any additional documentation must be directly referenced on the supplemental form, including the file name where the additional information can be found. FTA will review funding proposals for Additional Assistance Funding based on the criteria described in this notice.

##### *a. Reduction in Farebox or Other Sources of Revenue:*

Responses will be reviewed based on the extent to which the applicant has suffered a reduction in farebox revenue or other sources of revenue from any non-Federal source.

Applicants must provide totals for their 2018 fare revenue and 2018 non-Federal revenue that supported operations. The narrative section should detail the sources of these funds. Applicants also must provide their actual or projected farebox and non-Federal revenue used or needed for operations for each of the given Federal fiscal years (FFYs) identified in the supplemental form, beginning with the eligible timeframe for FFY 2020 (January 20, 2020, or a date later in 2020 if the applicant's accounting system cannot provide the data as of January 20, 2020, through September 30, 2020) and for each FFY for which the applicant is requesting funding, ending with FFY 2023 (October 1, 2022, through September 30, 2023). Additionally, should the applicant choose to submit a request for funding for shortfalls for FFY 2024 through FFY 2029, the applicant may provide a narrative describing the anticipated reduction in revenue.

The narrative response should identify the reason for any differences between the 2018 amounts and the actual or projected amounts for the time period for which you are requesting assistance.

*b. Estimate of Financial Need:*

Responses will be reviewed based on the financial need demonstrated by the applicant, including actual or projected financial need to maintain service that has not been replaced by funds allocated to the applicant under the CARES Act, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and other ARP funding, as a percentage of 2018 operating costs.

The applicant must provide their 2018 operating expense total as reported to the National Transit Database (NTD) to establish a baseline for the request. The applicant also must provide the amount of CARES Act, CRRSAA, and ARP funding allocated to it.

Applicants then must provide their operating expense total for each FFY for which they are requesting funding. Applicants should also provide the amount of Federal funding used or projected to be used toward operating expenses in each year. Note that Urbanized Area providers should be sure to provide their total operating expenses from the F-40 form of their NTD Report, which is inclusive of all operating expenses, including those that are not used for apportionment purposes. States should submit all relevant operating expense reports for any urbanized area or rural area subrecipients to which they would allocate Additional Assistance Funding.

The applicant must attach completed CARES Act, CRRSAA, and ARP split letters or allocation announcements to the application. Failure to include this information will result in the total amount of CARES Act, CRRSAA, and ARP funding allocated to the urbanized area(s) or state being considered available to the applicant or its subrecipients to address the additional funding needs identified in the application.

In the narrative section of the report, the applicant must describe (1) how actual and/or projected revenues have fallen short of 2018 revenues, as a percentage of 2018 operating expenses; (2) how much of the lost revenues has been or will be replaced by CARES Act, CRRSAA, and ARP funding; (3) how the requested assistance will support unmet operating expense needs, after fully using CARES Act, CRRSAA, and ARP funding; and (4) how the requested assistance will not displace regular formula grant assistance from FTA.

*c. Demonstration of Expenditure of CARES Act Funding:*

Per ARP, the applicant must demonstrate that it has expended 90 percent of the CARES Act funding allocated to the applicant no later than the application deadline in

order to receive ARP Additional Assistance Funding. The applicant must include the amount of CARES Act funding it received or was allocated and documentation supporting disbursement of at least 90 percent of its CARES Act allocations.

*d. Project Spending Plan*

Responses will be reviewed based on the extent to which the funding is ready to be obligated by September 30, 2023, and disbursed by September 30, 2029, as well as whether the applicant's proposed spending plans are reasonable and complete.

In assessing whether the proposed spending plan is reasonable and complete, FTA will review the description of the amounts needed and activities performed in each of FFYs 2020, 2021, 2022, and 2023, as well as the period of FFY 2024 through 2029.

Although FTA does not expect there to be sufficient funding to support shortfalls after FFY 2023, this does not preclude applicants from submitting such requests. For projects that will require formal coordination, approvals, or permits from other agencies or project partners, the applicant must demonstrate coordination with these organizations and their support for the project, such as through letters of support.

*2. Review and Selection Process*

A technical evaluation committee will evaluate proposals based on the published criteria. Members of the technical evaluation committee and other FTA staff may request additional information from applicants, if necessary. Based on the findings of the technical evaluation committee, the FTA Administrator will determine the final allocation of funding based on the level of financial need demonstrated by an eligible recipient or subrecipient, including projections of future financial need to maintain service, as a percentage of the 2018 operating costs, that has not been replaced by the funds made available from CARES

Act, CRRSAA, or ARP to the eligible recipient or subrecipient for the operating expenses of transit agencies. FTA intends to fund projects with financial needs before September 30, 2023, before funding projects with needs after that date. In determining the allocation of funds, FTA may consider geographic diversity, diversity in the size of the transit systems receiving funding, and an applicant's immediate funding need.

Prior to making an award, FTA is required to review and consider any information about the applicant that is in the Federal Awardee Performance and Integrity Information Systems accessible through SAM. An applicant may review and comment on information about itself that a Federal awarding agency previously entered. FTA may consider any comments by the applicant, in addition to the other information in the designated integrity and performance system, in making a judgment about the applicant's integrity, business ethics, and record of performance under Federal awards when completing the review of risk posed by applicants as described in the Office of Management and Budget's Uniform Requirements for Federal Awards (2 C.F.R. 200.205).

## **F. Federal Award Administration Information**

### *1. Federal Award Notices*

Final project allocations will be posted on the FTA website. Only proposals from eligible applicants for eligible activities will be considered for funding. There is no minimum or maximum grant award amount; however, FTA intends to fund as many meritorious projects as possible. Due to funding limitations, projects that are selected for funding may receive less than the amount originally requested.

Recipients should contact their FTA regional offices for additional information regarding allocations for projects under the Additional Assistance Funding.

## *2. Administrative and National Policy Requirements*

### *i. Pre-Award Authority*

At the time the project selections are announced, FTA will extend pre-award authority for the selected projects back to January 20, 2020. For more information about FTA's policy on pre-award authority, please see the FTA Fiscal Year 2021 Apportionments, Allocations and Program Information Notice at <https://www.transit.dot.gov/regulations-guidance/notices/2021-15576>.

### *ii. Grant Requirements*

If selected, awardees will apply for a grant through FTA's Transit Award Management System (TrAMS). All Additional Assistance Funding recipients are subject to the grant requirements of the Urbanized Area Formula Grant program (49 U.S.C. 5307), including those of FTA Circular "Urbanized Area Formula Program: Program Guidance and Application Instructions" (FTA.C.9030.1E), or the Rural Area Formula Grant program (49 U.S.C. 5311), including those of FTA Circular "Formula Grants for Rural Areas" (FTA.C.9040.1G). All recipients must also follow FTA Circular "Award Management Requirements" (FTA.C.5010.1E) and the labor protections required by Federal public transportation law (49 U.S.C. 5333(b)). Technical assistance regarding these requirements is available from each FTA regional office.

### *iii. Buy America*

FTA requires that all procurements meet FTA's Buy America requirements (49 U.S.C. 5323(j)), which require all iron, steel, and manufactured products be produced in the United States. Applicants should read the policy guidance carefully to determine the applicable domestic content requirement for their projects. Any proposal that will require

a waiver must identify the items for which a waiver will be sought in the application. Applicants should not proceed with the expectation that waivers will be granted.

*iv. Disadvantaged Business Enterprise*

Projects that include acquisitions are subject to the Disadvantaged Business Enterprise (DBE) program regulations (49 CFR part 26). FTA will provide additional guidance as grants are awarded. For more information on DBE requirements, please contact Monica McCallum, Office of Civil Rights, 206-220-7519, email:

[Monica.McCallum@dot.gov](mailto:Monica.McCallum@dot.gov).

*v. Planning*

FTA encourages applicants to notify the appropriate State Departments of Transportation and Metropolitan Planning Organizations in areas likely to be served by the project funds made available under these initiatives and programs.

*vi. Standard Assurances*

The applicant assures that it will comply with all applicable Federal statutes, regulations, executive orders, directives, FTA circulars, and other Federal administrative requirements in carrying out any project supported by the FTA grant. The applicant acknowledges that it is under a continuing obligation to comply with the terms and conditions of the grant agreement issued for its project with FTA. The applicant understands that Federal laws, regulations, policies, and administrative practices might be modified from time to time and may affect the implementation of the project. The applicant agrees that the most recent Federal requirements will apply to the project, unless FTA issues a written determination otherwise. The applicant must submit the Certifications and Assurances before receiving a grant if it does not have current

certifications on file.

### *3. Reporting*

Post-award reporting requirements include the electronic submission of Federal Financial Reports and Milestone Progress Reports. Applicant should include any goals, targets, and indicators referenced in their application to the project in the Executive Summary of the TrAMS application. Recipients of funds made available through this NOFO are also required to regularly submit data to the NTD.

As part of completing the annual Certifications and Assurances required of FTA grant recipients, a successful applicant must report on the suspension or debarment status of itself and its principals. If the award recipient's active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of an award made pursuant to this Notice, the recipient must comply with the Recipient Integrity and Performance Matters reporting requirements described in Appendix XII to 2 CFR part 200.

### **G. Federal Awarding Agency Contacts**

For further information concerning this notice, please contact [FTAassistance@dot.gov](mailto:FTAassistance@dot.gov). If you require immediate assistance please contact the Additional Assistance Program manager, Sarah Clements, by phone at (202) 366-3062. A TDD is available for individuals who are deaf or hard of hearing at 800-877-8339. In addition, FTA will post additional information about this NOFO as it becomes available on FTA's website at: <https://www.transit.dot.gov/funding/american-rescue-plan-act-2021>. To ensure receipt of accurate information about eligibility or the program, the applicant is encouraged to contact FTA directly, rather than through intermediaries or

third parties.

For issues with GRANTS.GOV, please contact GRANTS.GOV by phone at 1-800-518-4726 or by e-mail at [support@grants.gov](mailto:support@grants.gov). Contact information for FTA's regional offices can be found on FTA's Web site at <http://www.transit.dot.gov/>.

#### **H. Other Information**

This program is not subject to Executive Order 12372, “Intergovernmental Review of Federal Programs.”

A handwritten signature in black ink, reading "Nuria I. Fernandez". The signature is written in a cursive style with a horizontal line underneath.

**Nuria I. Fernandez,**  
*Administrator.*