



LEGISLATIVE Update

AMERICAN PUBLIC TRANSPORTATION ASSOCIATION



April 22, 2020

FTA Waives Local Match for COVID-19 Expenses

This week, in updated responses to Frequently Asked Questions (FAQs), the Federal Transit Administration (FTA) announced that it has waived the remaining local share requirement for previously appropriated Urbanized Area Formula Grants (49 U.S.C. § 5307) and Rural Area Formula Grants (49 U.S.C. § 5311) for COVID-19-related expenses. This 100 percent federal share applies to all FY 2020 and prior year funds under these formula programs and is available for operating expenses or capital projects. However, this authority is only available for COVID-19-related expenses.

In an earlier FAQ posted in March, FTA had permitted previously appropriated funding under § 5307 or § 5311 programs to be used at an 80 percent federal share for COVID-19-specific capital or operating expenses. Under normal circumstances, operating expenses are only eligible for a 50 percent share, and large urban areas are not able to use these funds for operating expenses.

In addition, in its updated FAQ, FTA clarified that the increased federal share and expanded eligibilities apply to all available § 5307 and § 5311 funds stating that “Section 5307 and Section 5311 funding that has not already been disbursed by the recipient or passed its period of availability may be used for COVID-19 response at the increased Federal share of 100%.” FTA also stated that “recipients that have open Section 5307 or Section 5311 awards that are within their period of availability, and otherwise would be available to be amended or have the budget revised, may use those funds at the increased federal share for COVID-19 response.” Finally, FTA stated that any new applications for awards may use the increased federal share without regard to the funding account year.

To view FTA’s updated FAQs, please [click here](#). See *FTA’s Responses to Questions ER16 – ER20*.