

# CONNECTIONS

THE NATIONAL TRANSPORTATION ENHANCEMENTS CLEARINGHOUSE NEWSLETTER  
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## National TE Obligation Rate Still Low

By Robert Patten, Consultant to NTEC

As of September 30, 1999, the state Departments of Transportation (DOTs) have only obligated 65.5% of all available Transportation Enhancements (TE) funds, making 1999 the fourth year in a row that obligations did not reach 70% nationwide, according to a new report by the National Transportation Enhancements Clearinghouse (NTEC). Since obligations represent the federal commitment to spend money on a specific project, and usually occur when a project is ready to be built, this low obligation rate suggests that TE project sponsors and DOTs face obstacles to swift project implementation.

### The Report

This report, titled *Transportation Enhancements: Summary of Nationwide Spending and Policies* is prepared annually by NTEC. It provides a comprehensive summary of state and national spending trends, as well as analysis of TE programmatic policies, for the Transportation Enhancements program in ISTEA and TEA-21. NTEC requested TE programming data and programmatic policy information from each state DOT during the fall of 1999. Thirty states were able to submit complete programming data. NTEC obtained obligation and reimbursement data for each state from the Federal Highway Administration's Fiscal Management Information System (FMIS).

### The Results: TE Funding

NTEC analyzed these three types of data, Programming, Obligations, and Reimbursements, to determine the status of TE spending nationwide. *Programming* tracks funding at the point of project selection. *Obligations* track the federal commitment to spend money on specific projects, and *Reimbursements* represent completed work on the ground.

As of October 1999, NTEC has documented more than 10,758 programmed projects in the eight-year life span of Enhancements, providing \$3.62 billion dollars to TE projects. Including NTEC's documented TE programming and its estimate that \$400 million has been programmed but not captured in NTEC's database, NTEC estimates that almost 95% of the \$3.83 billion in available funds has been programmed for specific projects.

While the year-end obligation rate is an improvement over the 58.8% mid-year obligation rate reported by NTEC in August 1999, it still lags behind other Surface Transportation Program obligations and the Federal Highway Administration's (FHWA) 1996 goal of a 75% national obligation rate. The Surface Transportation Policy Project recently found that from 1992 to 1999, the same period NTEC

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**D**ESPITE THE LOW NATIONAL OBLIGATION RATE, EIGHT STATES PLUS PUERTO RICO AND THE DISTRICT OF COLUMBIA HAVE OBLIGATED OVER 80% OF THEIR AVAILABLE FUNDS, INCLUDING ALASKA, FLORIDA, WYOMING, WASHINGTON, CONNECTICUT, NEW MEXICO, VERMONT, AND NEW JERSEY.

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## The Results: TE Program Policies

TEA-21 BROUGHT WITH IT NEW OPTIONS FOR INNOVATIVE FINANCING OF PROJECTS AND CONTINUED ISTEA'S EMPHASIS OF PUBLIC PARTICIPATION IN TRANSPORTATION FUNDING DECISIONS. USING INFORMATION GATHERED FROM THE STATES AND FROM A SURVEY PUBLISHED IN 1999 BY THE NATIONAL ASSOCIATION OF STATE HISTORIC PRESERVATION OFFICERS, NTEC IDENTIFIED A NUMBER OF INTERESTING TRENDS IN REGARDS TO HOW STATES ARE IMPLEMENTING THEIR TE PROGRAMS:

■ 25 STATES HAVE CITIZENS ON TE ADVISORY COMMITTEES THAT ARE INVOLVED IN PROJECT REVIEW AND SELECTION.

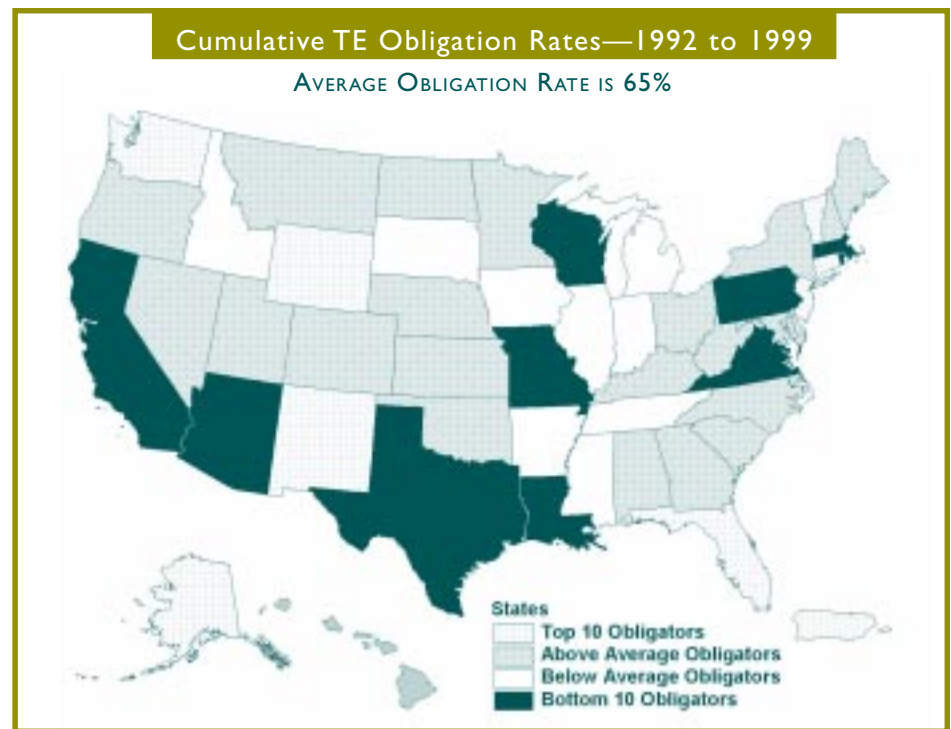
■ 25 STATES PROVIDE FLEXIBILITY—INCLUDING OFFERING ANY OF THE VARIOUS INNOVATIVE FINANCE PROVISIONS OF TEA-21 AND PRIOR TRANSPORTATION LAWS—FOR LOCAL SPONSORS IN MEETING THE REQUIREMENT TO PROVIDE MATCH FOR FEDERAL FUNDS.

■ THE AVERAGE PROJECT MATCH, NATIONALLY, IS 27.4%, A SIGNIFICANT AMOUNT ABOVE THE STANDARD 20% MATCH CALLED FOR IN ISTEA AND TEA-21.

examined, National Highway System Funds were obligated at 100% and Congestion Mitigation and Air Quality Improvement funds were obligated at 78%. Both of these funds are part of the Surface Transportation Program like TE. (See article on page 3.) Achieving a 90% TE obligation rate would put TE on par with other federal-aid highway programs, but NTEC estimates that this would require states to obligate \$3.5 billion over the next four years, 1.3 times as much as they obligated over the first eight years of the TE program.

Despite the low national obligation rate, eight states plus Puerto Rico and the District of Columbia have obligated over 80% of their available funds, including Alaska, Florida, Wyoming, Washington, Connecticut, New Mexico, Vermont, and New Jersey. Ten others have obligated less than 55%, including California, Rhode Island, Pennsylvania, Arizona, Massachusetts, Virginia, Missouri, Texas, Louisiana, and Wisconsin (see map).

NTEC's latest report finds that only 44% of all TE funds have been fully expended (Reimbursed). Since reimbursements occur after obligations as the final stage in project funding, the low reimbursement rate is a direct effect of the low obligation rate. However, moving a project from obligation to reimbursement is a process where delays occur because of many factors, including low cost estimates and the need for redesign.



## The Results: TE Activities

NTEC documented over 100 projects in the new TE activities of Bicycle and Pedestrian Safety and Education Activities, Tourist and Welcome Centers related to Scenic and Historic Sites, Wildlife Undercrossings, and Transportation Museums. Overall, 54% of funds have gone to bicycle and pedestrian and trail projects; 26% to historic preservation and historic highway programs; 19% to landscaping, acquisition of scenic easements, billboard control and scenic highway programs; and 1% to mitigation of highway runoff and provision of wildlife crossings.

## Where TE Stands

NTEC's report provides a snapshot of spending and policy trends for the Transportation Enhancements program. The relatively high national program-

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# Where's the Money Going?

## TE & Bicycle & Pedestrian Spending in the 1990s

Michelle Garland, Surface Transportation Policy Project

*Editor's Note: The following article expresses the opinions of the author and does not necessarily reflect the view of the Federal Highway Administration.*

In the last decade, Americans have witnessed a revolution in transportation planning. With the passage of ISTEA in 1991 and TEA-21 in 1998, states have the freedom to choose how to spend billions of dollars of transportation funds. Money that was once designated for highways can now be spent on bicycle and pedestrian projects, transit facilities and even scenic or historic preservation programs.

Transportation Enhancements (TE), one of ISTEA's most innovative programs, allows states to renovate historic areas and buildings such as transit stations, and provides funding for building bicycle and pedestrian facilities. Bicycle and pedestrian projects, in particular, have benefited from the Transportation Enhancements program. Seventy-five percent of the \$1.2 billion spent on bicycle and pedestrian projects since 1992 came from the Transportation Enhancements program.

Because of TE and other initiatives, states now have an opportunity to create more livable communities; communities where adults can run their errands on foot, and children can ride their bicycles to school safely. But has TE been living up to its potential? Has the passage of ISTEA and TEA-21 prompted states to place a higher priority on alternative modes of transportation? Have we seen a shift in spending patterns away from traditional highway uses to alternative modes?

In order to answer these questions, the Surface Transportation Policy Project (STPP) studied how federal transportation funds have been spent. Using ten years of data (fiscal years 1990 to 1999) from the Fiscal Management Information System, we categorized each dollar spent according to transportation mode. This methodology allowed us to determine whether a given dollar was spent on bicycle or pedestrian facilities, transit,

highway and bridge maintenance, or some other type of project. Though TE makes considerable funds available for scenic and historic preservation, STPP sought to identify the transportation mode promoted by state spending decisions. In the case of scenic or historic preservation projects, it is too difficult to make that determination because many of the amenities provided cut across two or more modes.

Our analysis uncovered several interesting trends:

**1.** There has been a dramatic increase in spending on bicycle and pedestrian projects since ISTEA was passed. In fact, spending on bicycle and pedestrian projects has grown thirty-fold, from seven million dollars in 1990 to more than \$220 million in 1999.

**2.** Between states, that trend varies greatly. For example, Mississippi spent zero dollars on bicycle and pedestrian projects in 1990 and spent zero dollars in 1999. Meanwhile, Florida, which spent about \$350,000

on bicycle and pedestrian projects in 1990, increased spending on these types of projects by nearly 6,000%, to almost \$20 million in 1999.

**3.** In the last few years, the commitment to alternative modes appears to be waning. Since 1997, spending on bicycle and pedestrian projects has increased by only three percent, though spending on all transportation has grown almost 50%. (See Figure 1.)

**4.** Obligation rates for programs promoting spending on alternative modes of transportation (i.e. Transportation Enhancements, Congestion Mitigation & Air Quality

Improvement Program) tend to be much lower than those for traditional transportation projects (National Highway System). (See Table 1.)

Given that three-quarters of the funding for bicycle and pedestrian projects comes out of the Transportation Enhancements program, these last two points are especially important

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FIGURE 1. Trend in Spending on Bicycle and Pedestrian Projects vs. All Transportation Spending

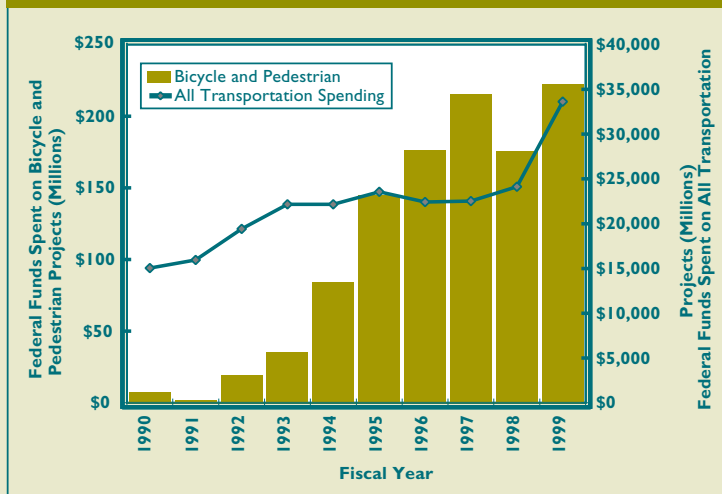


TABLE 1. Obligation Rates for Selected Programs (1992 to 1999)

Transportation Enhancements	65%
Congestion Mitigation & Air Quality Improvement Program	78%
National Highway System	100%

# Florida, A TE Success Story

By Megan Betts, National Transportation Enhancements Clearinghouse

Florida must be doing something right with their Transportation Enhancements program. According to the National Transportation Enhancements Clearinghouse's (NTEC) FY1999 report, Florida is one of the top five states for programming, obligations, and reimbursements. All states are given flexibility in how they implement their TE programs and have unique situations, which means not everything that works in one state will work in another. Nevertheless, examining what works well in Florida sheds some light on how one state has managed to incorporate TE successfully into its Department of Transportation's programs.

## Popularity

One of the reasons TE is successful in Florida is that it is an extremely popular program. According to Joye Brown, of FDOT's District Two, TE is popular because it "facilitates the development of non-traditional transportation modes, such as sidewalks and bike paths, that do not always get built as part of regular road projects." Marshall Dougherty, of FDOT District One, said the public appreciates TE because it allows them to tell the DOT what and how the local community wants to improve its transportation options. Mr. Dougherty added that the public also feels like it "wins" when its TE project is selected. So does FDOT, for that matter. "TE is a great PR shot in the arm" for FDOT, he said. In other words, the TE program is a hit with the public and FDOT because it empowers decision making at the local level and builds the necessary—but not always "traditional"—transportation facilities the public wants and needs. This popularity and demand necessitates a good process for implementing TE.

## Decentralized Administration

It did take a little time for Florida to smooth out its TE implementation process. During these first years of ISTEA, FDOT struggled with implementation of TE. As a result, potential projects were not solicited until the third year of

ISTEA. According to Ken Bryan, Director of the Florida Field Office of Rails-to-Trails Conservancy, this created anxiety for many local governments and advocacy organizations because three years of funding was at stake. Additionally, project applicants were significantly underestimating construction costs, primarily due to the difference in the applicant's vision and appropriate federal highway design and construction standards.

Mr. Bryan was involved early on in a task force comprised of FDOT staff and TE stakeholders in trying to help FDOT improve its TE program structure. "The task force focused on ways to improve the application process so as to help both the applicants and the DOT move projects closer to funding and ultimately, implementation," commented Mr. Bryan. He added that the Florida Metropolitan Plan-

ning Organization (MPO) Association also encouraged FDOT to change its administration of the TE program.

One of the conclusions FDOT reached during this reevaluation was that there had to be a better way of administering TE than solely through the central office. Bob Crim, Transportation Enhancements Manager for FDOT's central office, said that FDOT examined ISTEA and its provisions that allowed MPOs and other local government planning agencies to have more control over their

transportation funds, and decided TE was one federal funding source that could best be managed and distributed at the local level.

As a result, FDOT decentralized their TE program. Mr. Crim credits this decentralization as a major factor in Florida's excellent track record with TE. Florida distributes 90-95% of their TE allocation to FDOT's seven district offices based on legislated formulas, and sets aside the remaining five to ten percent for projects of statewide or regional interest that are sponsored by state or federal agencies. All project applications for local projects are reviewed and implemented through FDOT's district offices, while only the applications for statewide TE funds are reviewed by the central FDOT office. The district offices report all of their TE project spending in FDOT's centralized Financial Man-



A converted rail trestle links the Nature Coast Greenway Trail over the Suwannee River. (Photo: FDOT)

agement System, which allows the central FDOT office to track TE spending across the districts.

This system allows FDOT to get the TE money—and the decision making about how to spend it—down to the local level. Mr. Crim explained the logic of this approach by likening the process to that of road resurfacing. If every locality had to generate a list of all the roads in their area that needed resurfacing, and then submit that list for approval by the highway commissioner, it would take a long time to get roads resurfaced and priorities for resurfacing might get lost along the way. FDOT sees this local-oriented decision making approach as the best way to involve the public in TE project selection and funding.

### **Equally Prioritized Yet Exception to the Rules**

FDOT successfully treats TE like any other federal-aid highway program, while at the same time as a program that deserves to be treated differently from FDOT's traditional approach to building transportation facilities. Mr. Crim commented that FDOT consciously decided to not make TE a special program, but instead to think of TE projects and funding like any other DOT project and equally as important and necessary. This approach and mindset reduces the possibility for implementation and funding delays.

Yet, FDOT also sees TE projects as different from other DOT projects in an important way. According to Mr. Dougherty, FDOT has an “open-minded” and “common sense” administration willing to see that TE projects do not require the same design requirements and oversight as traditional roadway projects. Like Bill Clinton's campaign mantra, “It's the Economy, Stupid!”, Mr. Dougherty's TE mantra is, “We're building sidewalks not highways!” Mr. Dougherty sees the overall concept for TE as *less* design rather than more; FDOT and the FHWA division in Florida are willing to build TE projects according to the “overwhelmingly predominant intended use” rather than for the exception to the rule. This approach



The restoration of Cape Florida Lighthouse in the Bill Baggs State Recreation Area was one of the first TE projects in Florida. (Photo: FDOT)

cuts down on unnecessary design requirements (such as insisting bicycle and pedestrian trails be designed and built to support constant use by emergency vehicles), which gets TE projects on the ground much faster and for less money. Utilizing both a traditional and non-traditional approach to their TE projects helps FDOT get TE projects funded and implemented.

### **Streamlined Management From Top to Bottom**

While popularity, decentralization, and open mindedness are keys to Florida's ability to fund TE projects at a high rate, there are other systematic keys that contribute, too. Effective management and financing procedures need to be in place as well.

One system which FDOT takes advantage of as much as possible for all of its work, not just TE, is Certification Acceptance. This is a process available to every state whereby a state DOT applies to its FHWA division to administer federal highway programs with reduced federal oversight. In Florida, Certification Acceptance for TE has greatly contributed to the streamlining of the program because it reduces the people and processes involved in moving the project through the system.

How does a state DOT receive Certification Acceptance? Using TE as an example, the FHWA division reviews and approves the DOT's procedures and manuals for project selection, oversight, and implementation, and if accepted, allows the DOT to run the program on its own. In Florida, the FHWA division remains involved only as an obligation authority, which it does electronically. Mr. Crim still runs methodology by the FHWA division if a questionable procedure or project arises. Eligibility questions are handled by the DOT staff.

Florida also has a certification program for local agencies that streamlines project management even further. This program, the Local Agency Program (LAP), is something Ms. Brown credits with being an important reason for Florida's TE success. The LAP allows local agencies to become certified to administer their own TE projects. Mr. Bryan noted that the LAP “is a way of making TE a local grant program without actually altering the reimbursement structure” because expenditures are reimbursed very quickly (e.g. 30 days). According to Mr. Dougherty, this system also can save local agencies time and money because they can use local contractors instead of the DOT-certified contractors.



Pinellas Trail Overpass provides a safe bicycle and pedestrian crossing over 113th Street. (Photo: FDOT)

To become LAP certified, a local agency must first request LAP status and then go through a thorough review process. In District One, FDOT staff form a team of its office managers who interview potential local agency staff in peer positions, to determine the local staff's expertise in engineering, environmental review, right-of-way, finance, contracts, design, surveying, and more. Once the interviews are complete, FDOT District One staff submit a recommendation for LAP status to the District Secretary for approval. In District One, every local agency that has requested LAP status has received it.

### Money Matters

FDOT, like all other state DOTs, still faces that little matter of money. FDOT must program the TE funds to make sure the money will be available from the state and district coffers, and must help sponsors find a way to raise their local match. This is one of the biggest hurdles for most states and sponsors, but Florida has found a way to work TE through its system.

Florida's TE program has two things on its side financially that may or may not be options in other states. The first is Florida's Five Year Work Plan. "Once you're in the Five Year Work Plan, your project is going to be built," noted Mr. Bryan. "It's somebody's job to make sure that Work Plan comes to fruition." Accountability, however, is a result of

the high-level review process that got the TE project there in the first place.

Ms. Brown explained how TE projects get into the Five Year Plan. After receiving applications and selecting the eligible TE projects, FDOT asks the local agencies to prioritize the newly approved and any outstanding TE projects that are already in the Plan.

This allows the DOT to know which projects have priority in their communities. By October 1 of each year, FDOT knows its TE allocation and can then develop its Five Year Plan and decide how to program its TE funds within that Plan. In late November or December, FDOT holds public hearings and solicits comments on its proposed Plan. This is when TE project sponsors will know how much funding the project will receive, but will have to wait until the fifth year after project selection until those funds will be available (hence, "Five Year Plan"). After the public review process, FDOT sends its Plan, of which TE is only one part, to the Governor for review, who then sends it to the Legislature for approval. Once the Legislature approves the budget and the Plan, the Governor then signs (or rejects) the Plan.

The second thing Florida has on its side is its low local match requirements. FDOT provides the full non-federal match for projects located on the state highway system, and by law can provide one half of the non-federal match for projects located off the system. Even though this 80 percent federal, 10 percent state, and 10 percent local split reduced the burden on the sponsors to raise money, it increased the logistical burden on FDOT because of approval and contract processes. Mr. Crim commented that this system actually made it "harder for locals to participate" in TE.

About halfway through ISTEA, FDOT decided to eliminate the requirement for the non-federal match on TE funded projects by taking advantage of a provision that allowed toll credits to be applied for the required non-federal match. This allowed TE projects to be 100 percent federally funded, but also resulted in reducing the overall size of the program because the non-federal match funds (obtained through the use of toll credits) were credited but were not actually being added to the pool of TE funds.

Florida has recently reinstated the non-federal match requirement in the TE program to 15 percent on a programmatic basis. This increases the funding available to the entire TE program by adding the non-federal match portion to the federal funds for overall program funding purposes. This approach allows some projects to be 100 percent federally funded, while other projects contribute a non-federal match, resulting in an overall programmatic match of 15 percent. Mr. Crim credits the elimination of the non-federal match on a project by project basis as one of the primary reasons FDOT is able to spend its TE funds and move projects towards completion in as timely a fashion as it does. "No doubt about it," he said.

### Florida, a Shining TE Example

FDOT's high standing in the Enhancements community is the result of a concerted effort within the DOT to think and act differently, to change its ways to meet the needs of the public and this new TE program. Leadership in the DOT, and pressure from TE stakeholders, were central to this effort. The TE program continues to be a very popular program, with requests for funding far exceeding FDOT's TE allocation. FDOT has worked hard to streamline the TE program's administration to make it easier for local communities to have a say in their transportation planning and to actually get projects funded and built in a timely and cost-effective manner. While not perfect, Florida is a shining example of what *is possible* with a state TE program.

## TE In Action

### AMES, IOWA

The Iowa Transportation Commission recently awarded funds for 10 TE projects. The awards include \$290,500 to help acquire a local landmark in the Loess Hills called Vincent Bluff, \$17,870 to help pay for a new roof, air conditioning, heating, and energy conservation improvements at the Laura Ingalls Wilder Museum Hotel, and \$556,899 towards the construction of the a trail along the Mississippi river that connects the two towns of Marquette and McGregor. In addition, \$461,223 in TE funds will be used to help pay for a statewide program to plant prairie grass and wildflower seeds along county roads. *(The Des Moines Register)*

### TEMECULA, CALIFORNIA

The Riverside County Transportation Commission awarded \$1.21 million in TE funds for the Temecula trail system's proposed four-mile project along Murrieta Creek. Plans for the project include two pedestrian bridges, benches, gazebos, look-out points, and signs. The proposed trail is only a segment of a larger proposed trail system in Temecula that links warehouses, factories, and parks with Old Town and a scenic Canyon overlooking Santa Margarita River. *(The Press-Enterprise)*

### EUGENE, OREGON

The city of Eugene, Oregon was awarded \$1 million in TE funds to buy and restore a historic railroad depot. This project is significant to Eugene's past and sense of history; however, it is just as important to the city's future. The newly-refurbished 91-year-old station will be the point of arrival and departure for Amtrak's high speed rail service between Eugene, Portland, and Seattle, which is a crucial economic artery. Amtrak has a vested interest in the project, so it has put forth \$750,000 towards the project's completion. *(The Register Guard)*

### HOLMES COUNTY, OHIO

With the help of TE funding, Holmes County in central Ohio will be able to offer a unique trail as an alternative to roads for non-motorized travel. The trail, deemed the Holmes County Trail, will span 29 miles through three counties. The prominent Amish community in the area will now have a safer transportation route as will joggers, pedestrians, skaters, and bicyclists. The trail will be divided into two surfaces of pavement and crushed limestone. The crushed limestone is an ideal surface for the Amish buggies, and the pavement will satisfy the needs of other users. Ohio Department of Transportation committed \$1.8 million in TE funds towards the project. The project was originally conceived in 1969 after a flood destroyed this 29-mile corridor of the Cleveland, Akron & Columbus railroad line. Thanks to TE, it is finally being realized. *(The Columbus Dispatch)*

### VERO BEACH, FLORIDA

The Florida Department of Transportation recently dedicated TE funds for safety improvements to Oslo neighborhood sidewalks. A sidewalk will be installed on Oslo Road along unsafe sections, giving peace of mind to pedestrians and bicyclists on the heavily traveled road. The sidewalks have been long awaited by Oslo neighborhood residents. Oslo Road has a reputation for being notoriously dangerous for pedestrians and bicyclists, and has had several incidents of pedestrians being struck by cars. *(Press Journal)*

### TAMAQUA, PENNSYLVANIA

Renovations to Tamaqua's 126-year-old train station can now be completed thanks to a recent \$900,000 TE award. Save Our Station is the group behind the station's renovation. TE funds will be used for installing doors and windows as well as plumbing, heating, and electric systems, and finishing the interior walls. The restored station, which does serve special-occasion passenger rail service, will have a visitor's area and six rooms for tenants. The station is expected to play a large role in Tamaqua's tourist industry. *(The Morning Call)*

### HALTOM CITY AND RICHLAND HILLS, TX

Two cities in Texas will have improved streetscapes thanks to TE. Haltom City and Richland Hills were selected to receive a combined \$424,842 in TE funds from TxDOT. Haltom City will use \$341,111 to landscape medians and islands on Belknap Street. The \$93,731 allotted to Richland Hills will be used to add lighting, signs at the entrance of the city, and to pay for landscaping. Cooperation between the two cities has been imperative to keeping the projects on track. Each city's TE projects complement the other, benefiting the entire area as a whole. *(The Fort Worth Star-Telegram)*

### CREATIVE FUNDRAISING

#### PITTSBURGH, PENNSYLVANIA

The Youngwood Railroad Museum has a very interesting and generous patron. Last year the museum, which is trying to raise funds for a new building, received a offer like none other. An anonymous donor gave \$500 and pledged to match that gift if the museum collected and put on display a list of at least 50 friends and neighbors whose name is Bob, along with a sketch of each individual. Once the criteria was met, the donor matched the original \$500. Contributions from the Bobs themselves—over 243 Bobs are on the list—and the anonymous donor has earned the museum a total of \$3,000. The museum plans to publish a collection of the Bob biographies as another way to raise funds. *(Pittsburgh Post)*

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## Where's the Money Going?

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to policy-makers concerned about ensuring a diversified transportation system.

The reasons for this backsliding trend are unclear. However, one possibility is that policy-makers are becoming frustrated with the slow pace of improvement to strained transportation systems. Transportation reform advocates have long purported that provid-

ing travelers with a variety of viable modal choices is a better transportation strategy that, if not alleviating congestion, will at least improve their travel experiences. It must be remembered, however, that these solutions do not promise overnight success. Policy-makers must have patience and give alternatives a chance to show their value.

This article is based on findings reported in a larger report produced by the Surface Transportation Policy Project. The report, "Changing Direction: Federal Transportation Spending in the 1990s," can be found on-line at <http://www.transact.org>.

**Connections** is a quarterly publication of the National Transportation Enhancements Clearinghouse sponsored by the Federal Highway Administration. Submission of articles as well as letters and other comments are welcome.

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Unless otherwise stated, the contents of this newsletter reflect the views of the authors who are responsible for the opinions, findings and conclusions presented herein. The contents do not necessarily reflect the views or policies of FHWA and USDOT.

## TE Obligation Rate...

*(continued from page 2)*

ming rate, low national obligation rate, and even lower national reimbursement rate suggest that project selection occurs on a fairly routine basis, but actual obligation of funds and project implementation are where the obstacles lie. States have begun to adopt some of TEA-21's changes to project eligibility and innovative finance policies. Yet, not all states take advantage of public involvement and flexible streamlining measures, which are opportunities for improved TE delivery. These findings suggest that it may be necessary to further examine project implementation policies and practices to identify impediments to the successful execution of TE activities.

For a free copy of this report go to NTEC's Web site "Resources" section at [www.enhancements.org](http://www.enhancements.org), or call 888-388-6832, or email [ntec@transact.org](mailto:ntec@transact.org).