

GAO Highlights

Highlights of [GAO-23-105639](#), a report to congressional committees

Why GAO Did This Study

Since 2009, Congress has appropriated more than \$12 billion to a DOT discretionary grant program currently known as RAISE. DOT has awarded hundreds of RAISE grants for a variety of surface transportation projects.

Appropriations act provisions have set the maximum federal share for funds made available under the RAISE program. For urban areas, the federal share may not exceed 80 percent of the project cost. Rural area projects can receive up to 100 percent federal funding.

The Infrastructure Investment and Jobs Act included a provision for GAO to examine RAISE's federal share requirements. This report evaluates the extent to which DOT's communication of RAISE's federal share requirements followed OMB guidance. GAO reviewed applicable statutes, OMB guidance, and DOT's notices for RAISE grants from fiscal years 2015 through 2021. It then compared the notices to OMB guidance. GAO also interviewed DOT officials and representatives of selected transportation industry associations.

What GAO Recommends

GAO is recommending that DOT enhance its internal procedures to help ensure DOT communicates in its notices (1) how DOT calculates the federal share for RAISE grant eligibility purposes and (2) whether the federal share will or will not be a selection criterion and, if so, how it would be considered. DOT agreed with GAO's recommendations and provided technical comments, which GAO incorporated as appropriate.

View [GAO-23-105639](#). For more information, contact Elizabeth Repko at (202) 512-2834 or repkoe@gao.gov.

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DISCRETIONARY TRANSPORTATION GRANTS

DOT Should Better Communicate Federal Share Requirements to Applicants

What GAO Found

The Department of Transportation (DOT) awards Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grants to a range of road, transit, and other surface transportation projects. From fiscal years 2015 through 2021, DOT did not consistently communicate key information for the RAISE grant program, as required by Office of Management and Budget (OMB) guidance for grants management. Specifically:

- DOT's public notices of funding opportunity (notices) for RAISE grants did not inform applicants of specific eligibility information on how to calculate the federal government's portion of project costs (known as the federal share), as OMB guidance requires. The absence of an enhanced internal procedure to help ensure DOT's RAISE notices communicate this information creates the risk that applicants will contribute more non-federal funding than is necessary to be eligible for RAISE funding.
- DOT's notices for RAISE grants for fiscal years 2019 through 2021 did not disclose whether DOT would use an application's requested federal share as a merit selection criterion when evaluating applications, as required by OMB guidance. Beginning in fiscal year 2018 through fiscal year 2021, appropriations act provisions prohibited DOT from using an applicant's requested federal share as a criterion for selecting projects for awards. DOT said it followed the appropriations act prohibition for fiscal years 2018 through 2021. GAO found that DOT communicated this prohibition to applicants in its 2018 notice. However, since that time, DOT's notices have not explicitly stated whether DOT would use an applicant's federal share of costs as criteria when evaluating applications.

DOT's Communication of RAISE Federal Share Requirements in Notices Compared to OMB Requirements, Fiscal Years 2018 through 2021

Fiscal year	2018	2019	2020	2021
Did appropriations act provisions prohibit DOT to use federal share among the selection criteria?	Prohibited			
Did the notice state whether federal share was among the selection criteria?	YES	NO	NO	NO
Does not meet OMB requirement that the notice should state whether federal share will be considered in the evaluation.				

Source: GAO analysis of Office of Management and Budget (OMB) guidance, Department of Transportation (DOT) Notices of Funding Opportunity (notice) for the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program, and appropriations act provisions. | [GAO-23-105639](#)

Better communication from DOT on how it calculates the federal share for RAISE eligibility and whether DOT will consider an application's requested federal share in awarding grants, would improve transparency into DOT's grant decisions. Such communication would also help applicants make informed decisions on how to allocate scarce non-federal resources while pursuing federal funding.