Highlights of GAO-25-107458, a report to congressional committees

Why GAO Did This Study

Federal discretionary transportation grants provide funding to help build the nation's infrastructure. DOT combined the solicitation and evaluation processes for three such grant programs into the MPDG program. In December 2023 and January 2024, DOT announced \$5.6 billion in MPDG awards for the fiscal year 2023-2024 funding round.

The Infrastructure Investment and Jobs Act includes provisions for GAO to review the adequacy and fairness of two of the three individual grant programs in the MPDG program. This report assesses, for the fiscal year 2023-2024 MPDG program, (1) applicants' views on DOT's combination of three discretionary grant programs into the MPDG program, and (2) the extent to which DOT documented its criteria and rationale for selecting MPDG grant applications.

GAO reviewed DOT's notice of funding opportunity and evaluation plan; analyzed application and award data; and interviewed DOT officials. GAO also conducted a survey of all 236 applicants that submitted projects DOT determined were eligible to receive fiscal year 2023-2024 MPDG funding. The response rate was 74 percent.

What GAO Recommends

GAO has previously recommended that DOT define how an application may qualify as exemplary and improve documentation of key decisions. Implementing these recommendations would enhance transparency and consistency. GAO will continue to monitor DOT's progress in addressing the recommendations.

For more information, contact Elizabeth Repko at repkoe@gao.gov.

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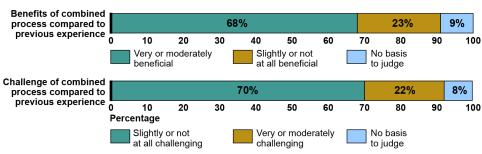
TRANSPORTATION GRANTS

Applicants Cited Benefits of Combined Application, but DOT Should Improve Transparency

What GAO Found

In 2022, the Department of Transportation (DOT) combined the applications for three grants into a single application for what DOT calls the Multimodal Project Discretionary Grants (MPDG) program. DOT stated that it combined the applications in part to streamline the process for applicants. In response to a GAO survey, MPDG applicants for fiscal year 2023-2024 funding cited several improvements resulting from combining the three applications. A majority of respondents who had applied for DOT grants previously found the combined process to be beneficial and found it easier to apply for multiple grants. Respondents also generally indicated that DOT's application materials were helpful and easy to understand. Although survey respondents were largely positive about the combined application process, some reported challenges, including having sufficient staff expertise and staff capacity to complete the application.

Survey Respondents on Combined Application Process for Fiscal Year 2023-2024 Multimodal Project Discretionary Grants (MPDG) Compared to Previous Grant Application Experience(s)



Source: GAO survey of fiscal year 2023-2024 Multimodal Project Discretionary Grant applicants. | GAO-25-107458

Note: The above is based on survey responses from 116 of the 120 applicants for fiscal year 2023-2024 MPDG grants who also applied for Department of Transportation grants before fiscal year 2022.

GAO found that for the fiscal year 2023-2024 MPDG program, DOT lacked clear criteria and complete documentation of its rationale for advancing applications to the Secretary for possible award selection. As GAO found in prior reviews, DOT did not clearly describe how officials would identify "exemplary" applications that would advance to the Secretary for possible selection. Additionally, GAO found that DOT did not document the rationale for the decisions to advance several applications that later received awards. Taking such steps for combined programs is especially important because, as was the case for MPDG, selection decisions made for an applicant related to one program carried over into how DOT treated that applicant with respect to the two other grant programs.

GAO recommended in 2024 that DOT clearly define its criteria for discretionary grants. DOT disagreed with this recommendation—stating that it had discretion to advance applications—and has not implemented it. Additionally, in 2016, GAO recommended that DOT more fully document key decisions. DOT agreed with this recommendation but has not yet fully implemented it. Implementing these recommendations would help DOT enhance the transparency and consistency of its discretionary grant programs.

_ United States Government Accountability Office