



Concept for Draft Legislation Establishing a Program to Provide Federal Funding to States to Strengthen Regional Transportation Planning Organizations (RTPOs)

SUMMARY:

Legislation to amend Title 23 to strengthen statewide transportation planning; to facilitate the federal designation of Regional Transportation Planning Organizations (RTPOs); and to provide dedicated funding from the Highway Trust Fund for RTPOs that is similar to Metropolitan Planning (PL) funding but provides a separate line item from MPOs.

This would be accomplished by:

- Providing states with \$750 million over five years in dedicated funding from the Highway Trust Fund to provide direct assistance to regional entities to enhance statewide transportation planning. Funds would be available to states for one or both of the following purposes:
 - To provide direct funding to federally designated RTPOs to fulfill the duties outlined in section 135; and/or
 - To develop a state-based grant process to support regional entities responsible for carrying out transportation planning or economic development planning activities in increasing their capacity through the provision of grants, thereby allowing regional entities to pursue federal designation as an RTPO and to ultimately fulfill the duties outlined in section 135.

Under this program:

- States with federally-designated RTPOs shall have broad discretion in establishing a formula for the distribution of funding made available to the state under this program to all federally designated RTPOs within the state to assist in carrying out statewide planning and to fulfill the RTPO duties outlined in section 135.
 - The distribution process developed by states for the funds provided to federally-designated RTPOs under this program would be subject to –
 - A \$300,000 minimum floor amount of direct funding for each RTPO;
 - Approval of the U.S. Secretary of Transportation; and
 - The funding must be provided 100% federal share.
- States that do not have federally-designated RTPOs shall develop a state-based grant process to provide the opportunity to regional entities responsible for carrying out transportation planning or economic development planning to apply for funding made available to the state under this program to undertake a capacity-building program, which could include a state-based pilot program, designed to:
 - Facilitate the federal designation of RTPOs;

- Strengthen the planning capacity of existing regional organizations to conduct regional transportation planning work;
- Enhance the ability of rural and small metro communities to assess regional transportation needs; and
- Increase the capacity of regional planning organizations to administer Federal-aid highway funding.
- States shall have broad discretion to develop the grant program, subject to:
 - A \$300,000 grant amount for each regional entity;
 - Approval of the U.S. Secretary of Transportation; and
 - The funding must be provided at 100% federal share
- States that have a mix of both federally-designated RTPOs, as well as regional entities that are not yet federally designated, shall implement both processes laid out above.
- States may use up to 5% of the total amounts received annually under this program for Administration.
- This bill would also amend the policy committee requirements for an RTPO to ensure that planning accounts for interregional travel.

RTPO LEGISLATIVE LANGUAGE:

STRENGTHENING REGIONAL TRANSPORTATION PLANNING ORGANIZATIONS (RTPOs).—

To amend title 23, United States Code, to facilitate the designation of Regional Transportation Planning Organizations (RTPOs) to assist state departments of transportation in carrying out statewide transportation planning, and for other purposes.

(a) **REQUIREMENTS OF REGIONAL TRANSPORTATION PLANNING ORGANIZATIONS.**—Section 135(m)(3) of title 23 is amended by adding “representatives of neighboring jurisdictions” after “practitioners,”

(b) **ESTABLISHMENT OF PROGRAM.**—Section 135 of title 23 is amended by adding at the end the following

—

“(n) **REGIONAL TRANSPORTATION PLANNING FUNDING.**—

(1) **Establishment.**—Not later than 180 days after the date of enactment of this Act, the Secretary shall establish a program to provide assistance to states to support Regional Transportation Planning Organizations and regional entities responsible for transportation planning or economic development planning in nonmetropolitan areas of the state in carrying out the duties contained in subsection (m) of this section.

(2) **Use of Funds.**—Funds made available to states under section 104(b)(9) of this title shall be utilized to --

- (A) provide direct funding to federally designated Regional Transportation Planning Organizations to enable them to carry out the duties contained in paragraph (m)(4) of this section; and
 - (B) undertake activities, including the establishment of state-based pilot programs, to provide assistance to regional entities responsible for transportation planning or economic development planning in nonmetropolitan areas of the state to –
 - (i) increase the organizations understanding statewide transportation planning requirements;
 - (ii) provide technical assistance in building organizational capacity and developing transportation planning expertise necessary to develop multimodal long-range transportation plans;
 - (iii) strengthening rural partnerships and collaboration;
 - (iv) enhance project prioritization and delivery;
 - (v) improve the overall statewide transportation planning process and respond to nonmetropolitan needs; and
 - (vi) secure federal designation of regional transportation planning organizations.
- (3) Eligible Entities.—Funding made available to states under section 104(b)(9) of this title shall be made available to –
- (A) regional transportation planning organization organizations as defined under 23 United States Code 134(b)(5); and
 - (B) regional entities responsible for transportation planning or economic development planning in nonmetropolitan areas of the state.
- (4) DISTRIBUTION OF FUNDS WITHIN STATES.—
- (A) In General.—The amounts made available to States to carry out this program under section 104(b)(9) of this title shall be distributed within the state --
 - (i) among all Federally Designed Regional Transportation Planning Organization through a formula developed by the state; and
 - (ii) to non-Federally designated regional entities responsible for transportation planning or economic development planning in nonmetropolitan areas of the state through a grant process allowing regional entities to submit proposals for funding that achieve the objectives of this subsection.
 - (B) Secretarial Approval.—Both the formula distribution developed by a state under clause (i) of this paragraph and the grant process undertaken by a state under clause (ii) of this paragraph shall approved by the Secretary.
 - (C) Minimum Allocation.—States receiving funding under this paragraph shall provide each federally designated regional transportation planning organization not less than \$300,000 in fiscal years 2027 through 2031 to carry out this subsection.
- (5) FEDERAL SHARE.-- The Federal share payable on activities carried out with funds provided under this program shall be 100 percent.”

(c) FUNDING.— Section 104(b) of title 23 United States Code is amended by adding at the end the following—

“ (9) Regional Transportation Planning.—

(A) IN GENERAL.—To carry out section 135(n) of this title, an amount determined for the State under subparagraphs (C) of this subsection.

(B) Total amount.—The total amount to carry out section 135(n) of this title for all States shall be—

- (1) \$130,000,000 for fiscal year 2027;
- (2) \$140,000,000 for fiscal year 2028;
- (3) \$150,000,000 for fiscal year 2029;
- (4) \$160,000,000 for fiscal year 2030; and
- (5) \$170,000,000 for fiscal year 2031.”

(C) DISTRIBUTION AMONG THE STATES.— For each fiscal year, the Secretary shall distribute the amounts authorized to carry out section 135(n) of this title among the states in the same [proportion as the amount distributed to the State share under subsection (b) of this section.]

(D) Up to 5% of the amounts provided to each state may be used by the state to administer this program.

(d) TRANSFERABILITY OF FUNDS.—Section 126(b)(1) of title 23 United States Code is amended by adding “, 104(b)(9),” after “104(d)”.