

## Transportation Enhancement Funding - Source and Eligible Uses

The Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) in 1998 and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) in 2005 continued the provision in 23 U.S.C 133(d)(2) requiring ten percent (10%) of the Surface Transportation Funds to be set-aside, available only for Transportation Enhancement (TE) activities. *“For Transportation Enhancement Activities - 10 percent of the funds apportioned to a State under Section 104(b)(3) for a fiscal year shall only be available for transportation enhancement activities.”* In Michigan, that is approximately \$20-\$25 million per year.

The Federal Highway Administration Final Guidance on Transportation Enhancement Activities, available on-line at <http://www.fhwa.dot.gov/environment/te/guidance.htm> explains that there are two basic eligibility requirements. *“First the proposed TE activity must be one of the qualifying activities listed in the legislation. Secondly, the activity must have a connection to transportation.”* It continued with *“(t)he list of qualifying TE activities provided in 23 U.S.C. 101(a)(35) is intended to be exclusive, not illustrative. That is, only those activities listed therein are eligible as TE activities.”* Those activities are:

1. Provision of facilities for pedestrians and bicycles.
2. Provision of safety and educational activities for pedestrians and bicycles.
3. Acquisition of scenic easements and scenic or historic sites (including historic battlefields).
4. Scenic or historic highway programs (including the provision of tourist and welcome center facilities).
5. Landscaping and other scenic beautification.
6. Historic preservation.
7. Rehabilitation and operation of historic transportation buildings, structures, or facilities (including historic railroad facilities and canals).
8. Preservation of abandoned railway corridors (including the conversion and use thereof for pedestrian or bicycle trails).
9. Inventory, control, and removal of outdoor advertising.
10. Archeological planning and research.
11. Environmental mitigation to address water pollution due to highway runoff or reduce vehicle-caused wildlife mortality while maintaining habitat connectivity.
12. Establishment of transportation museums.

**Transportation Enhancement funds cannot be used to build or repair roads.** The Michigan Department of Transportation (MDOT) is responsible for TE fund distribution in Michigan. MDOT’s Transportation Enhancement program allows cities, villages, counties, the Michigan Department of Natural Resources and MDOT to use this source of federal aid funds to improve the transportation infrastructure in Michigan by funding these non-traditional transportation projects.

If Michigan were to choose not to fund Transportation Enhancement projects, **those funds would be made available to other states for their Transportation Enhancement programs.** Michigan residents would lose out on the benefits afforded by use of the funds here in Michigan.

To learn more about the Transportation Enhancement program, contact the Office of Transportation Economic Development and Enhancement at 517-335-1069, or you may access MDOT’s web site at [www.michigan.gov/tea](http://www.michigan.gov/tea) or the National Transportation Enhancement Clearinghouse web site at [www.enhancements.org](http://www.enhancements.org).