U.S. Department of Transportation

Notice of Funding Opportunity Number 693JH621-STSFA

"*Surface Transportation System Funding Alternatives*"

Issue Date: August 30, 2021

Application Due Dates: November 1, 2021

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The Federal Highway Administration (FHWA) is using www.grants.gov for issuance of this Notice of Funding Opportunity (NOFO). Applicants must register and use the system to submit applications electronically. Applicants are encouraged to register in advance of the submission deadline and to register to receive notifications of updates/amendments to this notice. Approval of user registrations for the site may take multiple weeks. <u>It is the Applicant's responsibility to monitor the grants.gov site for any updates/amendments to this notice</u>.

Summary Information

Funding Opportunity Summary:		There is $18,310,894 available in Fiscal Year (FY) 2021 Federal funding to provide grants to eligible entities to demonstrate user-based alternative revenue mechanisms that utilize a user fee structure to maintain the long-term solvency of the Highway Trust Fund. The amount available this year includes $17,780,000 made available after accounting for the obligation limitation under the Consolidated Appropriations Act, 2021 (Pub. L. 116-260), and $530,894 in funds returned from two States previously awarded funds.
Federal Agency Name:		U.S. Department of Transportation (DOT) Federal Highway Administration (FHWA) Office of Operations 1200 New Jersey Avenue, SE. Mail Drop: E86-204 Washington DC 20590 Attn: Angela Fogle, HOTM-1
Funding Opportunity Title:		2021 Surface Transportation System Funding Alternatives (STSFA) Grants
Announcement Type:		This is the sixth STSFA funding opportunity notice.
Funding Opportunity Number:		693JH621-STSFA
Type of Award:		Cost Reimbursable Grants
Eligible Applicants:		State agencies & Multi-State partnerships (See Section C.1).
Assistance Listings *(formally known as Catalog of Federal Domestic Assistance (CFDA) Number)*		20.200 Highway Research & Development
Application Due Date:		Electronic applications are due to www.grants.gov by November 1, 2021 by 11:59 p.m. Eastern Time.
Questions:		Questions are due to: STSFA@dot.gov by October 25, 2021 on or before 5 pm Eastern Time.

Funding Opportunity Informational Webinar

The FHWA will host an informational session regarding this funding opportunity focused on the STSFA Program. This session will be conducted as a virtual forum and will focus on specific topics to help potential applicants gather additional information and ask specific questions. The webinar will be recorded, and the recording will be made available to interested parties.

Participation in this session is not mandatory in order to submit an application under this NOFO. However, we encourage potential applicants to take advantage of this opportunity to gather information regarding this notice.

INFORMATIONAL SESSION: SURFACE TRANSPORTATION SYSTEM FUNDING ALTERNATIVES PROGRAM

SESSION:	**Virtual Webcast: Application Information for the Surface Transportation System Funding Alternatives Program**
DATE:	**September 21, 2021**
TIME:	**1:00 pm Eastern Time**
REGISTRATION:	**https://connectdot.connectsolutions.com/egrfbknn2nhq/event/registration.html**

SECTION A – PROGRAM DESCRIPTION

The Fixing America's Surface Transportation (FAST) Act of 2015, Pub. L. No. 114-94, § 6020, authorized the Secretary of Transportation to establish the Surface Transportation System Funding Alternatives (STSFA) Program. The purpose of the STSFA Program is to provide grants to States to demonstrate user-based alternative revenue mechanisms that utilize a user-fee structure to maintain the long-term solvency of the Highway Trust Fund. The FAST Act authorized $15 million in FY 2016, and $20 million annually from FY 2017 through 2020 from the Highway Research and Development Program for grants for the STSFA demonstration projects.[1] The Continuing Appropriations Act, 2021 and Other Extensions Act (Pub. L. No. 116-159) extended Federal surface transportation programs through September 30, 2021, enabling the STSFA Program to continue at FY 2020 levels in FY 2021.[2] These grants shall make up no more than 50 percent of total proposed project costs, with the remainder coming from non-Federal sources.

The grants are only available to States; however, groups of States can form partnerships for regional or national proposals.[3] Section 6020 of the FAST Act authorizes DOT to enter into agreements with State authorities to demonstrate user-based alternative revenue mechanisms.

1. STATEMENT OF PURPOSE

The purpose of the NOFO is to solicit applications for multiple awards that meet the following objectives established in the authorizing language:

- Test the design, acceptance, and implementation of user-based alternative revenue mechanisms;
- Improve the functionality of such user-based alternative revenue mechanisms;
- Conduct outreach to increase public awareness regarding the need for alternative funding sources for surface transportation programs and to provide information on possible approaches;
- Provide recommendations regarding adoption and implementation of user-based alternative revenue mechanisms; and

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[1] STSFA funds are subject to the overall Federal-aid obligation limitation. Therefore, the actual amount of STSFA funds available for grants in a fiscal year is reduced based on the imposition of the limitation on obligations.

[2] The Continuing Appropriations Act, 2021 and Other Extensions Act (Pub. L. No. 116-159) extended Federal surface transportation programs through September 30, 2021, and funded the Federal-aid Highway Program (FAHP) at FY 2020 levels for FY 2021.

[3] Except where specifically indicated, the term “States” as used in this notice will apply to both individual States and groups of States submitting a common proposal.

- Minimize the administrative cost of any potential user-based alternative revenue mechanisms.

This competitive STSFA Grant Program supports the exploration of innovative transportation solutions based on a user pays principal. It is designed to supplement or replace the gas tax as a source of funding the Highway Trust Fund. The deployment of these pilots will provide Congress and DOT with valuable real-life data and feedback to inform future decision-making.

2. LEGISLATIVE AUTHORITY

Specific statutory authority for conducting this effort is found in the FAST Act of 2015, Pub. L. No. 114-94 § 6020, which authorizes the Secretary of Transportation to "establish a program to provide grants to States to demonstrate user-based alternative revenue mechanisms that utilize a user fee structure to maintain the long-term solvency of the Highway Trust Fund." Section 6020 provides express authority to enter into a grant with a State or groups of States, with no more than 50 percent of total proposed project costs being Federal funds and the remainder coming from non-Federal sources. Section 6002(a)(1) authorizes STSFA funding as a set aside from the Highway Research and Development Program in 23 United States Code (U.S.C.) 503(b).

The authority to enter into a cooperative agreement for this effort is found under 23 U.S.C. §502 - Surface Transportation Research, Development, and Technology, paragraph (b)(3) which states:

> "(3) **cooperation, grants, and contracts. —** The Secretary may carry out research, development, and technology transfer activities related to transportation—
>
> > **(A)** independently;
> > **(B)** in cooperation with other Federal departments, agencies, and instrumentalities and Federal laboratories; or

(C) by making grants to, or entering into contracts and cooperative agreements with one or more of the following: the National Academy of Sciences, the American Association of State Highway and Transportation Officials, any Federal laboratory, Federal Agency, State agency, authority, association, institution, for-profit or nonprofit corporation, organization, foreign country, or any other person."

The Continuing Appropriations Act, 2021 and Other Extensions Act (Pub. L. No. 116-159) extended Federal surface transportation programs through September 30, 2021 and funded the Federal-aid Highway Program (FAHP) at FY 2020 levels for FY 2021. This Act enables the STSFA Program to continue at FY 2020 levels in FY 2021.

3. BACKGROUND

Since FY 2016, FHWA has awarded $92.4 million in STSFA grant funding. The Catalog of Federal Domestic Assistance number is 20.200 Highway Research and Development. Information about previous STSFA awards can be viewed at: https://ops.fhwa.dot.gov/fastact/index.htm#stsfa.

Section 6020 lays out specific issues that each demonstration project funded under the statute must address, including implementation, interoperability, public acceptance, and other adoption issues; protection of personal privacy, the use of vendors to collect fees and operate the mechanism; market-based congestion mitigation impacts; equity concerns; ease of compliance; and the reliability and security of technologies used. Proposals may also address the flexibility and choices available for the user payments; administrative costs; and ability to audit and enforce compliance.

Each recipient of a grant under the STSFA Program is required to submit an annual report to DOT that describes: (1) how the demonstration activities carried out with grant funds meet the objectives of the program; and (2) lessons learned for future deployment of alternative revenue mechanisms that utilize a user fee structure. The first of these reports will be due one year after the first grant is awarded to a project under the program.

The FHWA is also required to produce a biennial report on the demonstration activities carried out under the STSFA Program, and to make that report publicly available online. The annual reports from States receiving funding under the program will provide the primary inputs for the biennial reports.

4. PROGRAM APPROACH AND GOALS

The goals of the program are to deploy and evaluate pilot demonstrations. For the purpose of this NOFO, a demonstration project is defined based on the definition of “innovation lifecycle” found in 23 U.S.C. 501(3)(D) and (E): a pilot demonstration will carry out development, deployment, and testing of the resulting technology or innovation; and will carry out an evaluation of the costs and benefits of the resulting technology or innovation.

For FY 2021, the program approach FHWA is interested in are proposals that address gaps in information that are potentially relevant for multi-State or national application, and applicable to all System users. Topics of particular interest include the following:

- Equity concerns, including impacts on differing income and minority groups, various geographic areas and relative burdens on rural and urban system users;
- Issues related to harmonizing collection programs and issues across States, including approaches to account for Interstate travel that accommodate low-technology solutions as well as advanced technology-based solutions;
- Combination of user-based alternative revenue mechanisms with other policy goals, such as those related to safety and environmental impacts, including climate change mitigation;
- Enforcement and auditing of collections, particularly those that would be applicable under potential programs that would apply to all system users;
- Collection methods or combinations of collection methods that would encompass all system users, including difficult to access populations, such as the unbanked and technology adverse;
- Relative advantages and disadvantages of alternative collection methods for engaging different populations;
- Implementation and operational costs for varying approaches, particularly those that are broadly scaled; and
- Impacts on the travel behavior of various populations from user-based alternative revenue mechanisms, in comparison to fuel taxes.

The authorizing legislation requires consideration of geographic diversity in awarding grants. The FHWA welcomes applications from States that have not previously received a grant or funding as part of a multi-State application, to perform demonstrations that comply with the general program objectives stated in Section A - 1. The FHWA recognizes that each application will have unique attributes and that each location's proposed deployment will be tailored to its vision and goals.

SECTION B – FEDERAL AWARD INFORMATION

1. FUNDING AND NUMBER OF AWARDS

The FHWA anticipates making multiple awards for STSFA for a total Federal contribution of up to a total of $18,310,894 in FY 2021.

2. TYPE OF AWARD

The planned award type is a cost-reimbursable grant. Funding will be provided through a State allocation memo followed by the execution of a project agreement.

3. PERIOD OF PERFORMANCE

The estimated period of performance for awards is up to five (5) years. The time period will be determined based on the proposed work tasks outlined in the work plan. A period of performance shall not exceed five (5) years.

4. DEGREE OF FEDERAL INVOLVEMENT

The FHWA anticipates limited Federal involvement with the STSFA recipients during the course of these demonstration projects. The anticipated Federal involvement will include oversight, technical assistance, and guidance to the recipient.

SECTION C – ELIGIBILITY INFORMATION

1. ELIGIBLE APPLICANTS

Eligible applicants only include State agencies. Multi-State partnerships established to develop regional or national proposals are also eligible. In such an instance, one State department of transportation (State DOT) that is part of the partnership will be required to administer the Federal funding, which may also entail providing project oversight. The FHWA expects all relevant State agencies (e.g., Department of Motor Vehicles, Department of Revenue) needed to initiate a full-scale deployment of the proposed revenue mechanism will be actively involved in the planning and operation of the demonstration.

If a State has previously proven the viability of an alternative revenue mechanism in a limited capacity through its own research, it may still be a candidate for funding under the STSFA Program. Applications for full new demonstration projects and for extensions or enhancements of existing demonstration projects are both eligible. Projects that received awards in previous fiscal years are not guaranteed to receive future funding for follow-on endeavors. Each project sponsor will need to submit a new application in response to this NOFO to be considered for FY 2021 funding.

2. COST SHARING OR MATCHING

Cost sharing or matching is required, with the maximum Federal share being 50 percent of the overall project cost. Overall project cost consists of the total value of Federal share and cost share combined. Awardees must provide at least a 50 percent matching share of the overall project cost, either in cash or in-kind services. Other Federal funds using their appropriate matching share may be leveraged for the deployment but <u>cannot</u> be considered as part of the STSFA matching funds, which must come from non-Federal sources unless otherwise allowed by statute. For a more complete definition, please see the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards – 2 CFR Part 200 including section 200.306 on Cost Sharing or Matching.

The FHWA will consider the following funds or contributions as a local match for the purpose of this program:

- Non-Federal funds
- Toll credits under 23 U.S.C.
- Soft match and in-kind services

Further, State DOTs may use matching strategies available to them under the Federal-aid Highway Program such as “tapered match.” Detailed information is located at:

https://www.fhwa.dot.gov/ipd/finance/tools_programs/federal_aid/matching_strategies/tapered_match.aspx.

However, FHWA cannot consider the following funds or contributions as a match:

- Funds already expended (or otherwise encumbered)
- Funds for which the source is ultimately a Federal program.

SECTION D – APPLICATION AND SUBMISSION INFORMATION

1. ADDRESS TO REQUEST APPLICATION PACKAGE

Applicants may obtain application forms at grants.gov under the NOFO cited herein.

The Applicant must complete and submit all forms included in the application package for this notice as contained at www.grants.gov.

NOTE: Applicants must have a registered Grants.gov account to use the system. Obtaining an account can involve multiple steps and numerous days. Please see Grants.gov for detailed instructions, training videos, an online user guide, and a help desk.

NOTE: Since high-speed Internet access is not yet universally available for downloading documents, and applicants may have additional accessibility requirements, potential applicants may request paper copies of materials, for delivery by U.S. Postal Service, by contacting Office of Operations, Angela Fogle at Angela.Fogle@dot.gov or by calling (202) 366-0076.

2. CONTENT AND FORM OF APPLICATION SUBMISSION

The application must include the Standard Form 424 (Application for Federal Assistance), Standard Form 424A (Budget Information for Non-Construction Programs), Standard Form 424B (Assurances for Non-Construction Programs), www.grants.gov. Lobbying Form, cover page, the Project Narrative and the Budget Narrative.

Standard Forms (SF): Available online at http://www.grants.gov/web/grants/forms/sf-424-family.html. More detailed information about the cover page and the Project and Budget Narratives follows.

i) Cover Page Including the Following Table:

Project Name	
Previously Incurred Project Cost	$
Future Eligible Project Cost	$
Total Project Cost…Cost Share Proposed	$
Total Federal Funds Requested	$
Are matching funds restricted to a specific project component? If so, which one?	Yes/No
State(s) in which the project is located	

Is the project currently programmed in the: • Transportation Improvement Program • Statewide Transportation Improvement Program • Metropolitan Planning Organization Long Range Transportation Plan • State Long Range Transportation Plan	Yes/No – *please specify in which plans the project is currently programmed*

ii) Project Narrative

The applicant or subrecipient shall respond to all the application requirements described below.

> FORMAT: The supplemental narrative shall be prepared with standard formatting (e.g. a single-spaced document, using a standard 12-point font, such as Times New Roman, with 1-inch margins)
>
> LENGTH: The Project Narrative shall not exceed 25 pages[4].

To ensure all submissions are evaluated fairly, applications that do not meet the identified format may be considered ineligible for consideration.

The application must include information required for FHWA to determine that the project satisfies requirements described in NOFO Sections A, B, and C and to address the selection criteria specified in Section E (1).

To the extent practicable, applicants should provide data and evidence of project merits in a form that is verifiable or publicly available. The FHWA may ask an applicant to supplement data in its application but expects applications to be complete upon submission. Incomplete applications will be considered ineligible for consideration.

The applicant or subrecipient shall list the Project Narrative and any additional supporting documentation in the attachments section of the SF 424 mandatory form in Grants.gov to successfully complete the application process.
The DOT recommends that the project narrative adhere to the following basic outline of a project description, staffing description, and funding description to clearly address the program requirements and make critical information readily apparent. In addition to a detailed statement of work, detailed project schedule, and detailed

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[4] Applications should not exceed the stated number of pages in length, not including the Forms, Budget, Budget Narrative and other attachments. A page is defined as one side of an 8½" by 11" piece of paper.

project budget, the project narrative should include a table of contents, maps, and graphics, as appropriate to make the information easier to review. The DOT recommends that the project narrative be prepared with standard formatting preferences (i.e., a single-spaced document, using a standard 12-point font such as Times New Roman, with 1-inch margins). The project narrative may not exceed 25 pages in length, excluding cover pages and table of contents. The only substantive portions that may exceed the 25-page limit are documents to support assertions or conclusions made in the 25-page project narrative, or résumés of key staff described in the project narrative. If supporting documents are submitted, applicants must clearly identify the relevant portion of the project narrative that each supporting document supports within the project narrative.

The Project Narrative should include the following:

1. The vision, goals, and objectives of the applicant(s) and the activities to be pursued in addressing demonstration issues and challenges.
2. Description of the geographic area or State(s) the demonstration will service.
3. Identity of the State DOT that will administer the funds along with the lead agency conducting the demonstration and a description of the multiagency partnership, if appropriate, that will carry out the demonstration. Proposals from a group of States should also identify a lead State to receive the Federal funding under the STSFA Program. Groups of States or State agencies participating together in a proposal are not required to have an existing agreement but should show evidence that some type of project agreement, memorandum of understanding, or other organizational documentation can be executed in a reasonable timeframe after selection.
4. The demonstration period and options for potential additional phases, if applicable, for continued use.
5. An evaluation and reporting plan that includes a quantitative and qualitative assessment of what was done, how well the demonstration worked to meet the objectives of the STSFA Program, challenges that had to be overcome, potential to deploy the pilot on a broad scale, and findings and recommendations.
6. The process for collecting, managing, storing, transmitting and purging data.
7. Evidence of State legislative support for the demonstration, if currently available.
8. A plan for developing cost estimates for full implementation of the proposed revenue mechanism, beyond the demonstration activities carried out under the STSFA Program.
9. A description of the number and type of vehicles (e.g., passenger or commercial vehicles, buses or trucks, public or private) and the length of time for the participants in the pre-pilot (if applicable) and pilot activities.

10. The application shall address or describe how the proposed demonstration would address the following legislated requirements of the program:
    - the implementation, interoperability, public acceptance and other potential hurdles to adoption of the user-based alternative revenue mechanism;
    - the protection of personal privacy;
    - the use of independent and private third-party vendors to collect fees and operate the user-based alternative revenue mechanism;
    - market-based congestion mitigation impacts, if appropriate;
    - equity concerns, including the impacts of the user-based alternative revenue mechanism on differing income groups, various geographic areas and relative burdens on rural and urban drivers;
    - ease of compliance for different users of the transportation system; and
    - the reliability and security of technology used to implement the user-based alternative revenue mechanisms.
11. The application may address:
    - the flexibility and choices of user-based alternative revenue mechanisms, including the ability of users to select from various technology and payment options;
    - the cost of administering the user-based alternative revenue mechanism; and
    - the ability of the administering entity to audit and enforce user compliance.

Deliverables

Applicants shall provide a schedule and deliverables in a table format similar to the below example. Indicate if the deliverable will be 508 compliant.

Deliverable	Approximate Due Date	Section 508 Compliant?

Note: Section 508 requirements are included in the General Terms and Conditions available online at: http://www.fhwa.dot.gov/aaa/generaltermsconditions.cfm.

iii. Budget and Organizational Narrative (40-page limit)

Application must include a breakdown of estimated costs across project work areas or tasks, including an identification of funding sources and amounts.

1. A complete list of activities to be funded by the request, including organizations and key staff involved; estimated costs; an identification of all funding sources

that will supplement the requested funds and will be necessary to fully fund the request; and a timeline for completion of the activities to be supported.[5]

2. An indication of how the remaining 50 percent non-Federal share (cash or in-kind services) will be funded, specifically identifying any soft match. If in-kind services are to be used as matching funds contribution, the proposal should include a plan for providing financial information to document staff time that can be audited.

Organizational Information

In addition to the forms, provide answers to the following organizational information questions in a pdf format:

1. Identify any exceptions to the anticipated award terms and conditions as contained in Section F, Federal Award Administration Information and the General Terms and Conditions. Identify any preexisting intellectual property that you anticipate using during award performance, and your position on its data rights during and after the award period of performance.
2. The use of a Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number is required on all applications for Federal grants. Please provide your organization's DUNS number in your budget application (SF-424).
3. A statement to indicate whether your organization has previously completed an A-133 Single Audit and, if so, the date that the last A-133 Single Audit was completed.
4. A statement regarding Conflicts of Interest. The Applicant must disclose in writing any actual or potential personal or organizational conflict of interest in its application that describes in a concise manner all past, present or planned organizational, contractual or other interest(s), which may affect the Applicants' ability to perform the proposed project in an impartial and objective manner. Actual or potential conflicts of interest may include but are not limited to any past, present or planned contractual, financial, or other relationships, obligations, commitments or responsibilities, which may bias the Applicant or affect the Applicant's ability to perform the agreement in an impartial and objective manner. The Agreement Officer (AO) will review the statement(s) and may require additional relevant information from the Applicant. All such information, and any other relevant information known to DOT, will be used to determine whether an award to the Applicant may create an actual or potential conflict of interest. If any such conflict of interest is found to exist, the AO may (a) disqualify the

[5] Applications should not exceed 25 pages in length. Additional information supporting the application, such as maps, technical information, and letters of endorsement may be submitted as addenda to the application and will not count against the application page limit but should not exceed 40 pages.

Applicant, or (b) determine that it is otherwise in the best interest of the United States to contract with the Applicant and include appropriate provisions to mitigate or avoid such conflict in the agreement pursuant to 2 CFR 200.112.

5. A statement to indicate whether a Federal or State organization has audited or reviewed the Applicant's accounting system, purchasing system, and/or property control system. If such systems have been reviewed, provide summary information of the audit/review results to include as applicable summary letter or agreement, date of audit/review, Federal or State point of contact (POC) for such review.
6. Terminated Contracts - List any contract/agreement that was terminated for convenience of the Government within the past 3 years, and any contract/agreement that was terminated for default within the past 5 years. Briefly explain the circumstances in each instance.
7. The Applicant is directed to review Title 2 CFR §170 (http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&tpl=/ecfrbrowse/Title02/2cfr170_main_02.tpl) dated November 12, 2020, and Appendix A thereto, and acknowledge in its application that it understands the requirement, has the necessary processes and systems in place, and is prepared to fully comply with the reporting described in the term if it receives funding resulting from this notice. The text of Appendix A will be incorporated in the award document as a General Term and Condition as referenced under this notice's Section F, Federal Award Administration Information.
8. Disclose any violations of Federal criminal law involving fraud, bribery, or gratuity violations. Failure to make required disclosures can result in any of the remedies described in 2 CFR 200.339 entitled Remedies for Noncompliance, including suspension or debarment. (See also 2 CFR Part 180 and 31 U.S.C. 3321).

3. UNIQUE ENTITY IDENTIFIER AND SYSTEM FOR AWARD (SAM)

Each applicant (unless the applicant is an individual or Federal awarding agency that is excepted from those requirements under 2 CFR 25.110(b) or (c), or has an exception approved by the Federal awarding agency under 2 CFR 25.110(d)) is required to: (i) Be registered in SAM before submitting its application; (ii) Provide a valid unique entity identifier in its application; and (iii) Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency.

The FHWA may not make an award to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements and, if an applicant has not fully complied with the requirements by the time FHWA is ready to make an award, the FHWA may determine that the applicant is not qualified to receive an award and use that determination as a basis for making an award to another applicant.

4. SUBMISSION DATES AND TIMES

The application must be received on Grants.gov by the application due date/time listed on page 3 of this NOFO.

The deadline stated on page 3 is the date and time by which FHWA must receive the full and completed application, including all required sections. Applications received after the deadline will not be reviewed or considered.

5. INTERGOVERNMENTAL REVIEW

An application under this NOFO is not subject to the State review under Executive Order 12372.

6. FUNDING RESTRICTIONS

The FHWA will not reimburse any pre-award costs or application preparation costs.

7. OTHER SUBMISSION REQUIREMENTS

a. Use of Information for other Departmental Purposes

Information collected from all applicant submissions may be used for Government purposes. In addition, information gathered through this notice may be used to conduct outreach and engagement related to future similar opportunities.

b. Intent to Release Applications and Names of Applicants

In order to expand public awareness of technologies, concepts, and ideas, FHWA intends to only release publicly appropriate material if applicable after awards are made.

By submitting an application in response to this NOFO, the Applicant provides FHWA permission to:

- Release publicly the names of all applicants receiving awards after selection of the STSFA awardees https://ops.fhwa.dot.gov/fastact/index.htm#stsfa;
- Upon request, release publicly the application documents, if applicable, after the announcement of the STSFA awardees.

HOW TO REGISTER TO APPLY THROUGH GRANTS.GOV

Read the instructions below about registering to apply for FHWA funds. Applicants should read the registration instructions carefully and prepare the information requested before beginning the registration process. Reviewing and assembling the required information before beginning the registration process will alleviate last-minute searches for required information.

The registration process can take up to 4 weeks to complete. Therefore, registration should be done in sufficient time to ensure it does not impact your ability to meet required application submission deadlines.

If individual Applicants are eligible to apply for this grant funding opportunity, refer to: https://www.grants.gov/web/grants/applicants/individual-registration.html.

Organization Applicants can find complete instructions here: https://www.grants.gov/web/grants/applicants/organization-registration.html.

a. Obtain a DUNS Number: All entities applying for funding, including renewal funding, must have a DUNS number from D&B. Applicants must enter the DUNS number in the data entry field labeled "Organizational DUNS" on the SF-424 form. For more detailed instructions for obtaining a DUNS number, refer to: https://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html.

b. Register with SAM: In addition to having a DUNS number, organizations applying online through Grants.gov must register with SAM. All organizations must register with SAM in order to apply online. Failure to register with SAM will prevent your organization from applying through Grants.gov. For more detailed instructions for registering with SAM, refer to: https://www.grants.gov/web/grants/applicants/organization-registration/step-2-register-with-sam.html.

c. Create a Grants.gov Account: The next step in the registration process is to create an account with Grants.gov. Applicants must know their organization's DUNS number to complete this process. Completing this process automatically triggers an email request for Applicant roles to the organization's E-Business Point of Contact (EBiz POC) for review. The EBiz POC is a representative from your organization who is the contact listed for SAM. To apply for grants on behalf of your organization, you will need the Authorized Organizational

Representative (AOR) role. For more detailed instructions about creating a profile on Grants.gov, refer to: https://www.grants.gov/web/grants/applicants/organization-registration/step-3-username-password.html.

d. Authorize Grants.gov Roles: After creating an account on Grants.gov, the EBiz POC receives an email notifying them of your registration and request for roles. The EBiz POC will then log in to Grants.gov and authorize the appropriate roles, which may include the AOR role, thereby giving you permission to complete and submit applications on behalf of the organization. You will be able to submit your application online any time after you have been approved as an AOR. For more detailed instructions about creating a profile on Grants.gov, refer to: https://www.grants.gov/web/grants/applicants/organization-registration/step-4-aor-authorization.html.

e. Track Role Status: To track your role request, refer to: https://www.grants.gov/web/grants/applicants/organization-registration/step-5-track-aor-status.html.

Electronic Signature: When applications are submitted through Grants.gov, the name of the organization's AOR that submitted the application is inserted into the signature line of the application, serving as the electronic signature. The EBiz POC must authorize individuals who are able to make legally binding commitments on behalf of the organization as an AOR; this step is often missed and it is crucial for valid and timely submissions.

HOW TO SUBMIT AN APPLICATION TO FHWA VIA GRANTS.GOV

Grants.gov Applicants can apply online using Workspace. Workspace is a shared, online environment where members of a grant team may simultaneously access and edit different Webforms within an application. For each funding opportunity announcement, you can create individual instances of a Workspace.

Below is an overview of applying on Grants.gov. For access to complete instructions on how to apply for opportunities, refer to: https://www.grants.gov/web/grants/applicants/apply-for-grants.html.

a. Create a Workspace: Creating a Workspace allows you to complete it online and route it through your organization for review before submitting.

b. Complete a Workspace: Add participants to the Workspace, complete all the required forms, and check for errors before submission.

1. Adobe Reader: If you decide not to apply by filling out Webforms you can download individual PDF forms in Workspace so that they will appear similar to other Standard or FHWA forms. The individual PDF forms can be downloaded and saved to your local device storage, network drive(s), or external drives, then accessed through Adobe Reader.

   NOTE: Visit the Adobe Software Compatibility page on Grants.gov to download the appropriate version of the software at: https://www.grants.gov/web/grants/applicants/adobe-software-compatibility.html.

2. Mandatory Fields in Forms: In the forms, you will note fields marked with an asterisk and a different background color. These fields are mandatory fields that must be completed to successfully submit your application.
3. Complete SF-424 Fields First: The forms are designed to fill in common required fields across other forms, such as the Applicant name, address, and DUNS number. To trigger this feature, an Applicant must complete the SF-424 information first. Once it is completed, the information will transfer to the other forms.

c. Submit a Workspace: An application may be submitted through Workspace by clicking the Sign and Submit button on the Manage Workspace page, under the Forms tab. Grants.gov recommends submitting your application package at least 24-48 hours prior to the close date to provide you with time to correct any potential technical issues that may disrupt the application submission.

d. Track a Workspace: After successfully submitting a Workspace package, a Grants.gov Tracking Number (GRANTXXXXXXXX) is automatically assigned to the package. The number will be listed on the Confirmation page that is generated after submission.

For additional training resources, including video tutorials, refer to: https://www.grants.gov/web/grants/applicants/applicant-training.html.

Applicant Support: Grants.gov provides 24/7 support via the toll-free number 1-800-518-4726 and email at support@grants.gov. For questions related to the specific grant opportunity, contact the number listed in the application package of the grant you are applying for. If you are experiencing difficulties with your submission, it is best to call the Grants.gov Support Center and get a ticket number. The Support Center ticket number will assist FHWA with tracking your issue and understanding background information on the issue.

In the event of system problems or technical difficulties with the application submittal using grants.gov, Applicants should contact the FHWA point of contact designated in the NOFO for questions. If Applicants are unable to use the system due to technical difficulties, Applicants must e-mail applications to the FHWA point of contact no later than the application deadline cited above.

SECTION E – APPLICATION REVIEW INFORMATION

1. CRITERIA FOR SELECTION OF GRANT AWARDS

The FHWA will evaluate applications based on the following criteria, which are of equal importance.

TECHNICAL MERIT:

- Alignment with program requirements in Section A-1 and FHWA focus areas in Section A-4.
- Reasonable likelihood that the demonstration could lead to a viable alternative revenue mechanism.
- Maturity or readiness of the technology, if any, to demonstrate the proposed alternative revenue mechanism, including the proposed approaches to addressing any regulatory, environmental, or other requirements that may be necessary for deployment.
- Ability of the applicant to deploy and sustain the proposed demonstration.
- Scalability or portability of the proposed demonstration mechanism to other jurisdictions.
- Clarity, quality, and completeness of the application.

Note: The FAST Act also requires the FHWA to consider geographic diversity in making awards.

Therefore, in order to impose a toll on a Federal-aid highway under the STSFA, the public authority seeking to impose the toll must be authorized to do so under an applicable toll authorizing program.

If authorized to impose a toll, then Section 6020(f) applies and any revenue generated pursuant to the user-based alternative revenue mechanism that is established using funds under the STSFA Program shall not be subject to the restrictions on toll revenue use under the relevant toll authorizing program. However, while the specific revenue use provisions do not apply, the public authority must use such revenues only for surface transportation activities that could be funded from the Highway Trust Fund. This use would include any activities eligible under Title 23 and Chapter 53, Title 49, United States Code, as well as any uses that would otherwise be an eligible use of revenue under these provisions, such as operations and maintenance of highway and transit infrastructure. The reason is that the stated purpose of the STSFA program is to demonstrate “user-based alternative revenue mechanisms…. to maintain the long-term solvency of the Highway Trust Fund.”

Note on market-based congestion mitigation: in evaluating technical merit of a proposal that includes market-based congestion mitigation: Similarly, Section 6020(d)(1) says that grant recipients “shall address…. market based congestion mitigation, if appropriate.” Therefore, Section 6020 allows for market-based congestion mitigation approaches. However, the stated purpose of the STSFA Program is to demonstrate “user-base alternative revenue mechanisms…. to maintain the long-term solvency of the Highway Trust Fund.” The FHWA interprets the focus of the STSFA Program to be on broad-based alternative revenue mechanisms that could ultimately be scaled to a national level to support the Highway Trust Fund, as opposed to localized solutions that are not scalable. Therefore, to be considered eligible within the STSFA Program, market-based congestion mitigation approaches must be capable of being integrated with a more broad-based and potentially scalable approach; its contributions to knowledge-base of potential transferrable solutions to maintain the solvency of the Highway Trust Fund must be made clear.

COST:

Cost will be considered in the award decision. The budget application will be analyzed to assess cost reasonableness and conformance to applicable cost principles.

Applicants must provide the required matching funds and supporting detail for these funds.

Funding availability will also be considered in the award decision. This evaluation factor will not be rated but will be considered in the award selection.

2. REVIEW AND SELECTION PROCESS

The FHWA will utilize the following merit review process to evaluate applications.

The FHWA will establish a panel of technical and professional staff with relevant experience and/or expertise to review each eligible application, received by FHWA through Grants.gov, using the merit criteria above. The panel will individually evaluate the applications. The panel will then assign a rating to each eligible application using the following merit ratings: Excellent, Good, Satisfactory, Marginal, Unacceptable. The evaluation team will be responsible for reviewing, evaluating, and rating the applications as well as making funding recommendations to FHWA senior leadership.

To support Federal investment in distressed areas, including opportunity zones and rural areas, FHWA may also consider whether a project is located in a qualified

Opportunity Zone designated pursuant to section 1400X-1 of title 26, U.S.C. or in an area that meets the criteria for the ROUTES Initiative as identified in DOT Order 5050.1.

The FHWA reserves the right to use outside expertise and/or contractor support to perform application evaluation.

The FHWA will award the applications that are considered the most advantageous to the FHWA using the criteria cited above, and subject to the results of an Applicant risk assessment. Applications selected for possible award using the technical merit criteria cited above will undergo the risk assessment, as described below, prior to award. The FHWA reserves the right to make partial awards to an Applicant based on the results of the risk assessment. The FHWA reserves the right to not make an award to an Applicant based on the results of the risk assessment.

The Secretary of Transportation is the official responsible for approving award selections. The FHWA is **not** obligated to make any award as a result of this notice.

Risk Assessment

The FHWA will assess the risks posed by an Applicant before they receive an award. This Risk Assessment will include evaluation of some or all the following items relative to the Applicant and/or sub-Applicants as applicable:

(1) Applicant's financial stability.
(2) Applicant's quality of management systems and ability to meet the management standards prescribed in 2 CFR Part 200.

(3) Applicant's history of performance.

Note: History of performance includes the Applicant's record in managing Federal awards, if it is a prior Recipient of Federal awards, including timeliness of compliance with applicable reporting requirements, conformance to the terms and conditions of previous Federal awards, and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards. The FHWA will evaluate the relevant merits of the Applicant's history of performance based on its reputation and record with its current and/or former customers with respect to quality, timeliness and cost control.

The history of performance will be reviewed to assure that the Applicant has relevant and successful experience and will be considered in the risk assessment. In evaluating history of performance, the FHWA may consider both written information provided in the application, as well as any other information available through outside sources.

(4) Applicant's audit reports and findings from audits performed on the Applicant pursuant to 2 CFR Part 200 Subpart F—Audit Requirements or the reports and findings of any other available audits.

(5) Applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities.

(6) Applicant's potential for conflict of interest if applicable; and

Note: The FHWA will review information provided by the Applicant, and any other relevant information known to FHWA, to determine whether an award to the Applicant may create an actual or potential conflict of interest. If any such conflict of interest is found to exist, FHWA may (a) disqualify the Applicant, or (b) determine that it is otherwise in the best interest of the United States to award to the Applicant and include appropriate provisions to mitigate or avoid such conflict in the Agreement pursuant to 2 CFR 200.112

3. APPLICANT'S ELIGIBILITY TO RECEIVE FEDERAL FUNDING

Per the guidelines on governmentwide suspension and debarment in 2 CFR Part 180, the FHWA will confirm that the Applicant and any named sub-applicants are not debarred, suspended, or otherwise excluded from or ineligible for participation in Federal programs or activities.

Pursuant to 2 CFR Part 200.206, prior to making a Federal award, the Federal awarding agency is required to review information available through any OMB-designated repositories of governmentwide eligibility qualification or financial integrity information, such as Federal Awardee Performance and Integrity Information System, D&B, and Sam.gov. The FHWA's review of this information will occur as part of the risk assessment.

4. ANTICIPATED FEDERAL AWARD DATES

The FHWA anticipates completing the awards process for STSFA grants in March 2022.

SECTION F – FEDERAL AWARD ADMINISTRATION INFORMATION

1. FEDERAL AWARD NOTICES

If your organization's application is selected for award, you will be notified and sent an award document for signature. Applicants not selected for award will be notified in writing by FHWA.

Only the AO can commit FHWA. The award document, signed by the AO, is the authorizing document. Only the AO can bind the Federal Government to the expenditure of funds.

Notice that an Applicant has been selected as a Recipient does not constitute approval of the application as submitted. Before the actual award, FHWA will enter into negotiations if necessary. If the negotiations do not result in an acceptable submittal, FHWA reserves the right to terminate the negotiation and decline to fund the Applicant.

2. ADMINISTRATIVE AND NATIONAL POLICY REQUIREMENTS

All awards will be administered pursuant to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards found in 2 CFR Part 200, as adopted by DOT at 2 CFR Part 1201. Applicable Federal laws, rules, and regulations set forth in title 23, U.S.C., and title 23 of the CFR apply.

General terms, conditions, and governing regulations that apply to the cooperative agreement are available online at:
http://www.fhwa.dot.gov/aaa/generaltermsconditions.cfm

3. ADDITIONAL REPORTING REQUIREMENTS

Not later than one year after the date on which the first eligible entity receives a grant under this section, and each year thereafter, each recipient of a grant under this section shall submit to the Secretary a report that describes—

1. How the demonstration activities carried out with grant funds meet the objectives described in subsection (c); and
2. Lessons learned for future deployment of alternative revenue mechanisms that utilize a user fee structure.

Submit an electronic copy of all reports to Angela Fogle at the following email address:

Angela.fogle@dot.gov

SECTION G – FEDERAL AWARDING AGENCY CONTACTS

Address any questions to:

STSFA@dot.gov by the dates specified on page 3.