November 5, 2026

Mr. Matthew Cahill
Acting Deputy Administrator and Chief Counsel
U.S. Department of Transportation
1200 New Jersey Avenue SE
Washington, DC 20590

Re: FTA-2026-0331, Proposed Capital Investment Grants Policy Guidance

Dear Mr. Cahill,

The Association of Metropolitan Planning Organizations (AMPO), National Association of Development Organizations (NADO), and National Association of Regional Councils (NARC) appreciate the opportunity to comment on the Federal Transit Administration's (FTA) proposed updates to the Capital Investment Grants (CIG) Policy Guidance. Our organizations represent Metropolitan Planning Organizations (MPOs), regional Transportation Planning Organizations (RTPOs), regional councils, and regional and rural development organizations across the country. These organizations bring together local governments, state agencies, transit providers, and other partners to coordinate, plan, and deliver transportation, infrastructure, economic development, and other federal investments across jurisdictions.

The CIG program depends on these regional processes. Transit agencies and local governments often serve as project sponsors, but major transit investments are not developed in isolation. Regional organizations support the planning, programming, forecasting, environmental coordination, land-use analysis, public engagement, and funding coordination that help projects advance. For MPOs, this can include adopting the locally preferred alternative, incorporating projects into fiscally constrained Metropolitan Transportation Plans (MTPs) and Transportation Improvement Programs (TIPs), producing ridership and socioeconomic forecasts, and coordinating state and local funding partners.

We support FTA's efforts to make the CIG program more predictable, transparent, and efficient. Several provisions in the proposal could meaningfully reduce administrative burden, including expanded Project Justification warrants and greater pre-award flexibility for qualifying projects. Clear and consistent eligibility standards, along with a more standardized evaluation framework, could help sponsors and regional partners better understand expectations early in project development. Those benefits will depend on how the revised evaluation criteria, funding requirements, and project-development milestones operate together in practice. To ensure the final guidance works effectively alongside the regional, state, and local processes that major transit projects rely on, we recommend that FTA:

1. Allow Projects Already in the Pipeline to Remain Under Existing Guidance

FTA proposes to make the final guidance effective immediately for projects already in the CIG pipeline. For New Starts and Core Capacity projects already in Engineering, previously approved CIG funding amounts would remain unchanged under the proposal. Other elements of the proposal, however, could still require projects already underway to revisit work completed under the existing framework.

Projects in Project Development or Engineering have built schedules, financial plans, ridership forecasts, modeling assumptions, environmental strategies, and local approval processes around the guidance in place when they entered those phases. Revising that work can require additional technical analysis, consultant costs, staff time, public process, board action, and amendments to MTPs and TIPs, creating additional costs and potential delay that could undermine the proposal's streamlining objectives.

The proposed annual Engineering oversight requirements could also affect projects already underway. Where FTA ties continued program participation to annual progress, the final guidance should distinguish between delays within a sponsor's control and delays caused by utilities, railroads, permitting agencies, third-party

agreements, or other external factors. Sponsors should have a clear opportunity to address deficiencies before a project is removed from the CIG pipeline.

We recommend that FTA allow sponsors of projects already in Project Development or Engineering to elect whether to continue under the guidance in effect when they entered that phase or to proceed under the final guidance. Giving project sponsors this option would protect projects from unplanned rework while still allowing sponsors to take advantage of the new streamlining provisions where they are beneficial. If FTA determines that certain provisions of the final guidance must apply to all existing projects, the agency should clearly identify those provisions and provide sufficient transition time to account for the cost and effort required to update project and regional planning materials.

2. Preserve Flexibility in Meeting Funding Commitment Requirements

FTA proposes to increase, from 30 percent to 50 percent, the amount of non-CIG funding that New Starts and Core Capacity sponsors must have committed before entering Engineering. Current guidance already requires sponsors to reach 50 percent within three years of entering Engineering, so the proposal would move an existing requirement to an earlier point in project development.

State, local, and other federal funding decisions often operate on schedules that do not align with the CIG process. Major project funding may depend on state legislative appropriations, local budget cycles, ballot measures, bond issuances, multi-jurisdictional agreements, or awards from other federal programs. A project may have a realistic and well-supported financial plan even when every funding source does not yet meet FTA's formal definition of "committed." Moving the 50 percent commitment requirement to before Engineering could become a significant barrier for projects whose funding depends on established legislative, budgetary, or federal award timelines, even where other elements of the proposed guidance would streamline the process.

We recommend that FTA preserve flexibility for funding sources with a clear and documented path to commitment. Final guidance should clarify how those sources will be considered when determining readiness to enter Engineering and whether alternative documentation or conditional approval may be appropriate.

3. Evaluate the State and Local Funding Implications of the New CIG-Share Framework

The proposed guidance would establish a new formula for determining the CIG share for New Starts and Core Capacity projects before that share is locked at entry into Engineering. Projects rated Medium or better would begin with a 40 percent CIG share, with adjustments based on Project Justification ratings and certain demographic factors.

Greater transparency around how FTA determines the federal share could provide useful predictability for project sponsors and their regional partners. The resulting CIG share directly affects the amount of funding that must come from non-CIG sources, which may include state, local, and other federal funds.

The proposed adjustment structure would also place greater weight on ratings below Medium than on comparable ratings above Medium. For several Project Justification criteria, a Medium-Low rating would reduce the CIG share by twice as much as a Medium-High rating would increase it, with an even larger difference between High and Low ratings for Cost Effectiveness. Because these adjustments could materially affect the amount of non-CIG funding a sponsor must assemble, FTA should explain the basis for this structure and provide examples showing how different combinations of ratings would affect a project’s final CIG share.

The ability to assemble those resources varies considerably across regions. State and local funding capacity depends on revenue authority, state funding structures, tax base, debt capacity, budget cycles, and competing infrastructure needs. Regions with established dedicated transit revenue or greater fiscal capacity may be better positioned to meet higher non-CIG funding expectations than smaller metropolitan, rural, and other resource-constrained regions, even where transportation need and project benefits are comparable.

The new CIG-share formula, the earlier funding-commitment requirement, and the Local Financial Commitment rating will operate together. We recommend that FTA publish illustrative examples showing how these three

elements would combine for projects in regions with differing fiscal capacity, and use that analysis to ensure the final guidance does not unintentionally disadvantage projects based primarily on differences in local funding capacity.

4. Clarify or Remove the Proposed Birth and Marriage Rate Adjustment

FTA proposes to use corridor birth and marriage rates to adjust the CIG share for New Starts and Core Capacity projects. The proposed adjustment raises questions about how it would apply across regions with different demographic characteristics, transit markets, and project types. If FTA cannot ensure that the adjustment can be applied consistently, transparently, and using reliable and comparable data, the agency should consider removing it from the final guidance. If the adjustment is retained, additional clarification will be necessary.

FTA should consider whether a uniform one-mile corridor buffer appropriately represents the service area or travel market of different transit investments. The relevant geography may vary considerably among bus rapid transit, light rail, commuter rail, and other modes. FTA should also evaluate whether the adjustment produces consistent results across different regional and demographic contexts. College towns, smaller metropolitan areas, and low-density regions may have birth and marriage patterns that differ substantially from national averages despite significant transit demand. Fast-growing regions may also experience substantial population growth driven by in-migration rather than birth or marriage patterns. Clear examples showing how the adjustment would apply across a range of region types would help sponsors understand its practical effect.

If the adjustment is retained, the underlying data should also be consistently available and comparable across regions. FTA proposes to use American Community Survey (ACS) five-year estimates to calculate corridor birth and marriage rates. Tract-level ACS estimates can carry substantial margins of error, particularly for smaller population groups and small geographic areas. The final guidance should explain how FTA will account for sampling uncertainty when calculating and comparing corridor birth and marriage rates. FTA should also account for broader changes in federal demographic-data policy, including DAO 216-26 and the Census Bureau's September 10, 2026, proposed rule, that may affect the availability, comparability, or interpretation of federal demographic data over time.

5. Account for Regional Planning, Modeling, and Capacity in CIG Implementation

Several proposed changes could increase costs and create additional project-development burdens for regional and local partners. The proposed guidance would require project sponsors to coordinate earlier and more closely with MPOs and other regional partners. CIG projects depend on planning, funding, modeling, and public decision-making processes that operate on established regional, state, and local timelines. Earlier environmental, design, and funding milestones may require coordination with MTP and TIP amendment schedules, fiscal-constraint requirements, air quality conformity, public engagement, and board actions, while state and local funding decisions may need to occur earlier in project development.

The proposed requirement to reach at least 15 percent overall design within the first year of Project Development may create additional up-front cost and risk, particularly for smaller regions and sponsors with more limited technical and financial capacity. Advancing design earlier in the process may require sponsors to commit resources before later CIG decisions are made. FTA should consider whether the proposed milestones provide sufficient flexibility for projects of different sizes and levels of sponsor capacity.

Changes to Project Justification also increase the importance of regional modeling and forecasting. Cost Effectiveness, Mobility Improvements, and Congestion Relief would together account for 65 percent of the Project Justification rating, and those measures rely heavily on assumptions about ridership, travel demand, transportation networks, and regional growth. In many regions, MPOs develop or maintain the travel demand models, socioeconomic forecasts, network assumptions, and growth projections that support this analysis.

The CIG evaluation process also relies on projects and assumptions reflected in regional planning documents, including the TIP and fiscally constrained MTP, while project sponsors may use locally developed travel models to support ridership forecasts. Final guidance should clearly explain how regional models, forecasts, and other

locally developed inputs will be incorporated into project evaluation and how differences in assumptions will be addressed.

These changes may also increase the planning and technical workload placed on MPOs, RTPOs, and other regional partners that support transit project sponsors. In many regions, MPOs and RTPOs provide modeling, planning, grant development, data analysis, and other technical assistance to transit agencies, including smaller providers with limited in-house capacity. Additional CIG requirements may therefore increase staff and consultant costs for both project sponsors and the regional organizations that support them.

The treatment of Congestion Relief also warrants additional clarity. Regions with lower baseline congestion may have less opportunity to demonstrate measurable congestion reduction even where a transit investment would provide meaningful mobility, reliability, or future capacity benefits. Additionally, for some bus rapid transit projects, reallocating roadway space to transit may increase personal vehicle delay while improving overall throughput and corridor capacity. Final guidance should clarify how these outcomes will be reflected in the Congestion Relief measure so that projects are evaluated on the broader transportation benefits they provide.

We recommend that FTA account for existing regional planning, programming, modeling, budgeting, and public decision-making processes when establishing final CIG requirements and timelines. The final guidance should provide sufficient flexibility for these processes to work together without duplication, additional cost, or conflict with established state and local requirements.

Conclusion

FTA has an opportunity through this update to make the CIG program more transparent, predictable, and easier to navigate for project sponsors and their partners. We support that objective and appreciate the proposal's focus on streamlining and project readiness. As FTA finalizes the guidance, we encourage the agency to provide a clear and workable transition for projects already underway, preserve flexibility where funding and project-development timelines depend on state and local processes, and account for differences in regional fiscal and planning capacity. Doing so will help ensure that the CIG process works effectively alongside the regional planning, funding, and coordination needed to move major transit investments from planning to delivery.

Thank you for the opportunity to provide comments. AMPO, NADO, and NARC look forward to continued engagement with FTA as the agency develops the final guidance. Please contact Katie Economou, AMPO Legislative Director, at keconomou@ampo.org; Mike Matthews, NADO Director of Government Relations, at mmatthews@nado.org; and Leeann Sinpatanasakul, NARC Director of Policy, at leeann@narc.org with any questions or to discuss these comments further.

Respectfully,







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