# **CMAP Update**

March 31, 2025

CMAP is providing this update to key partners, including the region's Councils of Governments (COGs), planning liaisons, county transportation stakeholders, IDOT and others.

CMAP aims to keep partners informed about federal transportation funding, grant disbursements, regulatory information, transportation programming, other related transportation news and information in response to recent executive orders and federal directives.

## March 11th USDOT guidance on competitive award selections

What's Happening: On March 11, the Office of the Assistant Secretary for Transportation Policy circulated internal guidance on competitive award selections made after January 20, 2021 that do not have fully obligated grant agreements in place. The guidance notes that, "All competitive grant and cooperative agreement award selections must comply with current Administration priorities and Executive Orders (EO) that address energy, climate change, diversity and gender, and economic analysis, and other priorities." The guidance provides further that, "the focus of this review is to identify project scope and activities that are allocating funding to advance climate, equity, and other priorities counter to the Administration's Executive Orders." CMAP's understanding is that this review does not apply to member priority projects as these are congressionally directed.

The guidance outlines three steps for this review process:

- 1. **Program identification.** Award selections that contain any of the following elements are subject to review: "equity activities, Diversity, Equity, and Inclusion (DEI) activities, climate change activities, environmental justice (EJ) activities, gender-specific activities, when the primary purpose is bicycle infrastructure (i.e., recreational trails and shared-use paths, etc.), electric vehicles (EV), and EV charging infrastructure."
- 2. **Project-by-project review.** Programs that require further review shall have program teams examine each individual project to identify those award selections that have project scopes that include any of the project elements listed in Step 1.
- 3. **Project scope revision.** Following project review, project sponsors may be asked to update project scopes "eliminate flagged activities" or rescope their projects with "relevant elements that align with the program statute, the original scope of the application submission, and current Administration executive orders.

Why it matters: CMAP estimates there are several hundred million dollars in unobligated awards for projects in the northeastern Illinois region. The duration of this additional review is currently unknown,

Suite 450 Chicago, IL 60607

> 312-454-0400 cmap.illinois.gov

which adds uncertainty to project timelines and letting schedules. There is potential for project costs to increase if funding subject to review is delayed for an extended period of time.

Should any projects need to be rescoped as a result of this review, certain project components that may be removed from project scopes may require alternative funding sources to move forward.

## USDOT rescission of Biden Administration IIJA memoranda

What's Happening: On March 10<sup>th</sup>, USDOT <u>announced</u> the rescission of two memoranda from the previous administration titled, "Policy on Using Bipartisan Infrastructure Law Resources to Build a Better America." These memoranda provided an overarching policy framework for IIJA implementation, outlining the administration's priorities for infrastructure spending. These include improving roadway safety, accelerating project delivery, addressing environmental impacts and improving the resiliency of the transportation system, and reconnecting communities.

Why it matters: These memoranda served as policy documents from the prior Administration and did not hold the force of law. Therefore, while the rescission of these memoranda have no immediate impacts on the region, it may impact the content of CMAPs deliverables and future discretionary grant NOFO criteria.

## **FY25 Continuing Resolution**

What's Happening: On March 14<sup>th</sup>, Congress passed the Full-Year Continuing Appropriations and Extensions Act, 2025 (H.R. 1968), funding federal agencies through the remainder of Fiscal Year 2025 (FY25). Important highlights from the CR include an increase in some core formula funding to match IIJA levels and possibly shifting more control of discretionary funding to federal agencies. The CR does not carry over congressional committee report language, meaning USDOT will determine program-level funding allocations. Agencies must submit spending plans to Congress within 45 days.

Additionally, this CR rescinds FY25 member priority projects, including \$2.76B in USDOT member priority projects. FY24 member priority projects are not impacted.

Why it matters: With the rescission of FY25 member priority projects, project proponents may need to consider alternative funding sources to replace this funding. While it remains uncertain whether member priority projects will be included in the FY26 budget process, on April 2, House Appropriation Committee Chair Cole released guidance for FY26 programmatic, language, and community project funding requests. At the time of this writing, guidance for the Transportation and Housing and Urban Development subcommittee has not yet been made available.

Meanwhile, Senator Duckworth's office has noted they are not accepting new applications for FY26 and will instead prioritize FY25 congressionally directed spending requests that had been approved by appropriations and were pending passage in the FY25 budget bill for potential submission.

## Other:

As noted in a previous update, there are a number of other questions, concerns and issues that our partners have identified. CMAP continues to actively following developments around these topics and will provide updates when we have more clarity on these issues.

- Availability of federal funds that are programmed, authorized for federal participation, or already obligated by US DOT.
- Impacts to the region's Air Quality Conformity status and procedures, particularly regarding greenhouse gas emissions.
- Impact to environmental justice and equity in our work.
- Impact of changing policy priorities and funding availability on the project selection process currently underway for CMAQ, CRP, STP Shared Fund, and Local TAP programs and the local STP project selection that is scheduled to begin in October 2025.

#### **Resources:**

The **Association of Metropolitan Planning Associations (AMPO)** continues to update its members on key developments that impact funding, policy, and compliance, including legal cases and other policy updates.

<u>3-25-25 The National Beat</u> — Stay informed with AMPO's latest insights, including updates from federal agencies, Capitol Hill developments, and key national transportation news.

<u>3-28-25 The Friday Docket</u> - A weekly legal briefing that highlights key legal developments affecting funding, policy, and compliance. While some cases may not seem directly related to transportation, they often have far-reaching implications for federal funding, agency authority, and compliance—potentially impacting MPO access to transportation funding, long-term planning, and program administration.

**Infra Insight Blog** - Nossaman's 30+ infrastructure attorneys offer practical experience, insider insight and thoughtful analysis on local and national policy developments that affect the market and their clients.

<u>2.24.25 Infra Insight</u> - New Transportation Secretary Gets to Work with New Directives, Diversity, Equity, and Inclusion and more

#### **CMAP** contact:

Kasia Hart, Intergovernmental Affairs Senior, khart@cmap.illinois.gov