

TOLLING POINTS

USDOT Announces Congestion Relief Program to Fight Congestion and Opens the Door for New Tolling

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On February 22, 2024, the U.S. Department of Transportation (USDOT) announced the availability of the first \$150 million in grants from the \$250 million Congestion Relief Program. The program was established in the Infrastructure Investment and Jobs Act (IIJA) to reduce traffic congestion in metropolitan areas with \$50 million available annually through the five-year infrastructure law. Importantly, the program allows for the use of tolls on the Interstate System as part of a project carried out with a grant under the program for up to ten urban areas with a population of at least one million people.

The [Notice of Funding Opportunity \(NOFO\) for the Congestion Relief Program](#) establishes the objectives of the program to reduce highway congestion and the economic and environmental costs associated with congestion, as well as to optimize existing highway capacity and use of transit systems. The program's goals include:

- improving intermodal integration on highways;
- reducing or shifting peak highway use to off-peak hours on non-highway travel modes; and
- using pricing on roadways and geographic zones, parking, and targeted congestion.

The discretionary grants under the Congestion Relief Program will be a minimum of \$10 million with up to an 80% federal share of the total project cost. Eligible entities include states, metropolitan planning organizations, cities, and municipalities. These entities may introduce tolling, pricing, and new partnerships with existing toll operators.

The \$150 million availability represents the first three years of the five-year program, covering fiscal years 2022, 2023, and 2024. The activities that may be funded under this program include the deployment and operation of integrated congestion management systems; certain transit and mobility services; and incentive programs encouraging travelers to carpool, use transit, or travel during non-peak periods. USDOT will give

priority to projects that advance innovative, multimodal solutions to traffic congestion in urban areas that are experiencing a high degree of recurrent congestion.

For projects advancing tolling, applicants must have tolling authority under applicable State and local laws, and meet additional requirements:

- the maximum toll rate for any vehicle class may not be more than five times the toll for any other vehicle class;
- toll rates may not be charged or varied based on State residency;
- the Transportation Secretary determines proposed activities will not introduce a significant impact to safety or mobility; and
- the use of toll revenues complies with federal requirements in 23 U.S. Code § 129 subsection (a)(3), which gives priority to uses on the tolled facility.

The deadline for applications is April 22, 2024. USDOT will host a Congestion Relief NOFO informational webinar via Zoom on March 7, 2024 at 11:30am-1:00pm ET. Registration for the webinar can be found at:

https://usdot.zoomgov.com/webinar/register/WN_ZgAibEx4T8qHY7-97audNg

IBTTA remains committed to working with Federal and State partners to support roadway pricing programs and to strive for flexibility of associated requirements to align with State and local objectives.