

Section 5311 CARES Act Guidance for Virginia Transit Agencies

April 21, 2020

The Commonwealth of Virginia was apportioned \$51,377,174 in Section 5311 CARES Act funding.

On April 21, the Commonwealth Transportation Board approved the allocation of the funding as follows:

- 50% of the available funding or \$25,688,587 to provide immediate operating assistance to existing 5311 funding recipients
- 15% of the available funding or \$7,706,576 to support intercity bus needs, with the first priority being continuing support of the Virginia Breeze
- 35% of the available funding or \$17,982,011 to be held in reserve for future awards at the discretion of the Director of the Department of Rail and Public Transportation
- ADTAP funds in the amount of \$1,150,000 are also being held in reserve for future awards.

\$ 25,688,587

#	District	Recipient	CARES Act (Initial Distribution)
1	Bristol	AASC / Four County Transit	\$1,668,406
2	Bristol	District Three Governmental Cooperative	\$1,841,713
3	Bristol	Mountain Empire Older Citizens, Inc.	\$1,653,015
4	Bristol	Town of Bluefield-Graham Transit	\$299,433
5	Culpeper	Greene County Transit, Inc.	\$1,125,571
6	Hampton Roads	Greensville County	\$147,370
7	Hampton Roads	STAR Transit	\$952,591
8	Hampton Roads	Town of Chincoteague	\$78,700
9	Hampton Roads	Williamsburg Area Transit Authority	\$601,613
10	Lynchburg	Danville Transit System	\$2,299,878
11	Lynchburg	Farmville Area Bus	\$689,227
12	Lynchburg	Town of Altavista	\$95,311
13	Salem	Greater Roanoke Transit Company	\$1,147,283
14	Salem	Pulaski Area Transit	\$545,761
15	Staunton	Central Shenandoah Planning District Commission	\$483,127
16	Multi-District	Bay Aging	\$2,855,435
17	Multi-District	Town Of Blackstone/ Blackstone Area Bus System	\$416,049
18	Multi-District	Lake Country Area Agency on Aging	\$147,786
19	Multi-District	JAUNT, Inc.	\$3,761,995
20	Multi-District	RADAR UHSTS	\$1,214,775
21	Multi-District	Virginia Regional Transit	\$3,663,548

State priorities for the use of funding:

- The initial allocation of CARES Act funding is being programmed by DRPT to support operating expenses.
 - Funds available under the CARES Act can be used for all operating activities (net fare revenues) that occur on or after January 20, 2020.
 - In general, operating expenses are those costs necessary to operate, maintain, and manage a public transportation system. Operating expenses usually include such costs as driver salaries, fuel, and items having a useful life of less than one year, including personal protective equipment and cleaning supplies. See Chapter III of the Formula Grants for Rural Areas FTA circular for more information on eligible operating expenses.
 - DRPT is applying for operating assistance at 100% federal participation, for the initial allocation.
- CARES Act funding should be used to help offset changes in available state and local funding due to the impact of COVID-19.
 - Agencies should preserve available state and local funding resources and utilize CARES Act funding to support operating expenses beginning with their next unbilled period (after January 20, 2020).
 - Unutilized state and local operating funding should be held in reserve in an interest bearing account, with accrued interest credited to the transit program. This funding should be accounted for in annual audits and is subject to audit and review by DRPT.

Federal requirements under the CARES Act:

- Federal guidance is available at: <https://www.transit.dot.gov/cares-act>
- All the normal Section 5311 requirements apply to funds made available under the CARES Act, with the following exception:
 - Transportation Improvement Program (TIP) or the Statewide Transportation Improvement Program (STIP): CARES Act funds used to pay for operating expenses do not need to be included in the TIP/STIP. CARES Act funds used to pay for capital expenses for emergency relief do not need to be included in the TIP/STIP unless the projects are for substantial functional, locational, or capacity changes. 23 CFR §§ 450.326(e)(5), 450.218(g)(5).
- The federal share for all grants awarded under the CARES Act is up to 100 percent.
- Funds are available until expended. There is no lapse date to obligate funds available under the CARES Act. Transit systems are encouraged to spend funds expeditiously to respond to local needs.

Additional federal eligibility under the CARES Act:

- The CARES Act funding can be used for administrative leave, such as leave for employees due to reductions in service or leave required for a quarantined worker.
- Administrative leave is an administratively authorized absence from duty without loss of pay or reduction in an employee's available leave. In the context of the COVID-19 public health emergency, administrative leave could include, but is not limited to, leave for an employee who is not required to work due to a reduction in service or leave for a worker who is quarantined after potential exposure to an individual infected with COVID-19.
- DRPT expects agencies to utilize this provision, as necessary, to maintain their workforce. Please let your DRPT Transit Program Manager know if you are utilizing administrative leave for your employees.
- Agencies will need to provide adequate documentation to accompany reimbursement requests for administrative leave.

Allocation of 5311(f) Intercity Bus Funding:

- The Commonwealth's priority for the use of the 15% set-aside for 5311(f) service is to support the operating expenses of our current Section 5311(f) projects:
 - Virginia Breeze
 - Smart Way
- DRPT is currently evaluating other potential uses of the funding and eligible providers/routes. Additional guidance will be provided once this assessment is complete.

Allocation of reserved funding (including ADTAP):

- The reserved funding is being held by DRPT for other needs not yet identified. Additional guidance will be provided by DRPT as the use of these funds becomes better defined.
- If you have an extraordinary, COVID-19 specific need, please contact your DRPT Transit Program Manager.