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**DEPARTMENT OF TRANSPORTATION**  
**LOCAL PROGRAMS & COMMUNITY INVESTMENTS DIVISION**  
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**BUTCH ELEY**  
DEPUTY GOVERNOR &  
COMMISSIONER OF TRANSPORTATION

**BILL LEE**  
GOVERNOR

October 29, 2024

Subject: New CMAQ Process Implementation Notice

Dear MPO members and project sponsors,

This letter is to inform you of an important update regarding the CMAQ funding process, aimed at enhancing the efficiency and utilization of available funds for eligible projects.

Historically, the administration of CMAQ funds has encountered challenges with matching programmed amounts to actual utilization due to varying project timelines. In response to this issue, we are introducing a streamlined approach to better accommodate projects that are prepared to advance to the next funding phase.

Moving forward, the Transportation Improvement Program (TIP) will initially include the NEPA and Design Phases of your project. Subsequent phases, such as Right of Way and Construction, will be designated either as reserved line items or noted in the comment section of the TIP, in accordance with your Metropolitan Planning Organization's (MPO) policies.

In preparation for the 2024 August Redistribution, available funds were identified in the CMAQ program and were utilized on projects that obligated within the 2024 fiscal year. In order to balance the CMAQ budget in the STIP, the TDOT Air Quality Office performed a thorough review of projects that included analyzing award dates, obligation of phases, invoicing, and overall movement of phases to make the necessary adjustments to bring the STIP into fiscal constraint.

Rest assured; the original award amount allocated to your project will be secure. As your project progresses to subsequent phases, such as Right of Way or Construction readiness, the project sponsor will coordinate with the MPO to initiate the process of amending the TIP to include these phases.

This refined process aims to facilitate the timely utilization of CMAQ funds for projects that are ready to move forward, aligning closely with our goal to optimize the annual funding provided by the Federal Highway Administration (FHWA).

Should you have any questions or require further clarification regarding this new process, please do not hesitate to reach out to [TDOT.CMAQ@tn.gov](mailto:TDOT.CMAQ@tn.gov). We are committed to supporting you throughout this transition and beyond.

Sincerely,

Steve Allen (Oct 30, 2024 07:12 CDT)

Steve Allen, Director  
Local Programs & Community Investments Division

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