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## DEPARTMENT OF TRANSPORTATION

### Federal Highway Administration

#### 23 CFR Part 505

[FHWA Docket No. FHWA-05-23393]

RIN 2125-AF08

#### Projects of National and Regional Significance Evaluation and Rating

**AGENCY:** Federal Highway Administration (FHWA), DOT.  
**ACTION:** Notice of proposed rulemaking (NPRM); request for comments.

**SUMMARY:** Section 1301 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (Pub. L. 109-59; 119 Stat. 1144) established a program to provide grants to States for Projects of National and Regional Significance (PNRS) to improve the safe, secure, and efficient movement of people and goods throughout the United States and to improve the health and welfare of the national economy. Section 1301 requires the Secretary of Transportation (Secretary) to establish regulations on the manner in which the proposed projects will be evaluated and rated, in order to determine which projects shall receive grant funding. This proposed rule would establish the required evaluation and rating guidelines for proposed projects. If this rule were adopted, a proposed project would become eligible to be funded under this program only if the Secretary finds that the project meets the requirements of the rule. In making such findings, the Secretary will evaluate and rate each project as "highly recommended," "recommended," or "not recommended" based on the results of preliminary engineering, the project justification criteria, and the degree of non-Federal financial commitment.

**DATES:** Comments must be received on or before September 22, 2006. Late-filed comments will be considered to the extent practicable.

**ADDRESSES:** Mail or hand deliver comments to the U.S. Department of Transportation, Docket Management Facility, Room PL-401, 400 Seventh Street, SW., Washington, DC 20590, or submit electronically at [http://](http://dmses.dot.gov/submit)

[dmses.dot.gov/submit](http://dmses.dot.gov/submit), or fax comments to (202) 366-7909.

Alternatively, comments may be submitted to the Federal eRulemaking portal at <http://www.regulations.gov>. All comments should include the docket number that appears in the heading of this document. All comments received will be available for examination and copying at the above address from 9 a.m. to 5 p.m., e.t., Monday through Friday, except Federal holidays. Those desiring notification of receipt of comments must include a self-addressed, stamped postcard or you may print the acknowledgment page that appears after submitting comments electronically. Anyone is able to search the electronic form of all comments in any one of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, or labor union). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (Volume 65, Number 70, Pages 19477-78) or you may visit <http://dmses.dot.gov>.

**FOR FURTHER INFORMATION CONTACT:** Mr. Edward Strocko, Office of Freight Management and Operations, HOFM-1, (202) 366-2997, Ms. Alla Shaw, Office of the Chief Counsel, (202) 366-1042, or Ms. Diane Mobley, Office of the Chief Counsel, (202) 366-1372, Federal Highway Administration, 400 Seventh St., SW., Washington, DC 20590. Office Hours are from 7:45 a.m. to 4:15 p.m., e.t., Monday through Friday, except Federal holidays.

#### SUPPLEMENTARY INFORMATION:

##### Electronic Access and Filing

You may submit or retrieve comments online through the Document Management System (DMS) at: <http://dmses.dot.gov/submit>. Electronic submission and retrieval help and guidelines are available under the help section of the Web site. Alternatively, internet users may access all comments received by the U.S. DOT Docket Facility by using the universal resource locator (URL) <http://dmses.dot.gov>. It is available 24 hours each day, 365 days each year. Please follow the instructions. An electronic copy of this document may also be downloaded by accessing the Office of the Federal Register's home page at: <http://www.archives.gov> or the Government Printing Office's Web page at <http://www.gpoaccess.gov/nara>.

#### Background

Section 1301 of SAFETEA-LU establishes a program to finance critical,

high-cost transportation infrastructure facilities that address critical national economic and transportation needs. These projects often involve multiple levels of government, agencies, modes of transportation, and transportation goals and planning processes that are not easily addressed or funded within existing surface transportation program categories. Projects of National and Regional Significance would have national and regional benefits, including improving economic productivity by facilitating international trade, relieving congestion, and improving transportation safety by facilitating passenger and freight movement. Additionally, this program would further the goals of the Secretary's Congestion Initiative.<sup>1</sup>

The benefits of PNRS would accrue beyond local areas and States to the Nation as a whole. A program dedicated to constructing PNRS would improve the safe, secure, and efficient movement of people and goods throughout the United States as well as improve the health and welfare of the national economy. The FHWA specifically invites comments that contribute to an understanding and a quantification of the term national and/or regional economic benefits.

Under the proposed regulations, a State seeking a grant for a proposed PNRS would submit to the Secretary an application that demonstrates the ability of the proposed project to enhance the national transportation system, generate national economic benefits, reduce congestion, improve transportation safety, and attract non-Federal investment.

The Secretary shall evaluate and rate each proposed project as "highly recommended," "recommended," or "not recommended" based on the results of preliminary engineering, the project justification criteria, and degree of non-Federal financial commitments. If the Secretary finds that the proposed project meets the requirements of the regulations, and there is a reasonable likelihood that the project will continue to meet such requirements, the Secretary may issue a letter of intent to obligate an amount from future available budget authority specified in law or execute a full funding grant agreement

<sup>1</sup> Speaking before the National Retail Foundation's annual conference on May 16, 2006, in Washington, DC, U.S. Transportation Secretary Norman Mineta unveiled a new plan to reduce congestion plaguing America's roads, rail and airports. The National Strategy to Reduce Congestion on America's Transportation Network includes a number of initiatives designed to reduce transportation congestion and is available at the following URL: <http://isddc.dot.gov/OLPFiles/OST/012988.pdf>.

with a State. A full funding grant agreement would establish the terms of Federal participation in the project, maximum amount of Federal financial assistance, cover the period of time for completing the project, and cover the timely and efficient management of the project in accordance with applicable Federal statutes, regulations, and policy, including oversight roles and responsibilities, and other terms and conditions.

All the funds authorized by section 1101(a)(15) of SAFETEA-LU are fully designated to the 25 projects in section 1301(m). There are no funds available for distribution beyond those already designated. The 25 projects designated in subsection (m) of section 1301 of SAFETEA-LU are not subject to the criteria established in this part and they will not be subject to the evaluation and rating as proposed in this part. However, all grant recipients for the projects designated in subsection (m) of section 1301 of SAFETEA-LU must submit to the FHWA Office of Operations, through the State Department of Transportation and the FHWA Division Office of the State in which a project is located, a project description prior to the release of designated funds. The FHWA Division Office will review and comment on the project description and forward the description to the FHWA Office of Operations. The FHWA guidance on section 1301 grant recipient project description submission procedures is available from the FHWA Division Offices or the FHWA Office of Operations, and is available at <http://www.ops.fhwa.dot.gov/freight/policy.htm>.

### Section-by-Section Discussion of the Proposals

#### Section 505.1 Purpose

The purpose of this part is to implement the requirements of SAFETEA-LU section 1301(f)(6) which directs the Secretary to establish evaluation and rating guidelines for proposed Projects of National and Regional Significance (PNRS). A proposed project may be funded under this program only if the Secretary finds that the project meets the requirements of this regulation.

#### Section 505.3 Policy

Under current law, surface transportation programs rely primarily on formula capital apportionments to States. Despite the significant increase for surface transportation program funding in the Transportation Equity Act of the 21st Century, current levels

of investment are insufficient to fund critical high-cost transportation infrastructure facilities that address critical national economic and transportation needs. Critical high-cost transportation infrastructure facilities often include multiple levels of government, agencies, modes of transportation, and transportation goals and planning processes that are not easily addressed or funded within existing surface transportation program categories. Projects of National and Regional Significance have national and regional benefits, including improving economic productivity by facilitating international trade, relieving congestion, and improving transportation safety by facilitating passenger and freight movement. The benefits of projects described above accrue to local areas, States, and the Nation as a result of the effect such projects have on the national transportation system. A program dedicated to constructing Projects of National and Regional Significance is necessary to improve the safe, secure, and efficient movement of people and goods throughout the United States and improve the health and welfare of the national economy.

#### Section 505.5 Definitions

The specific terms that have special significance to a proposal under the Projects of National and Regional Significance program are defined in this section. An "Applicant" for grants shall be limited to State departments of transportation.

The FHWA proposes to define "eligible projects" in a flexible manner. Specifically, because of the national and regional scope of the projects to be funded under this section, and because this section is explicitly intended to provide funding for high-cost transportation infrastructure facilities that often include multiple modes of transportation and affect multiple jurisdictions, the FHWA proposes to include those projects that are intended to be multi-modal. The FHWA further proposes to define the term "eligible project costs" to include costs associated with non-highway facilities, though the portions of the projects funded through grants awarded under this program must be otherwise eligible under title 23, United States Code.

"Full funding grant agreements" (FFGA) will be used to define the project scope and scale, and time period, and will establish Federal funding levels under title 23 U.S.C. for Projects of National and Regional Significance.

#### Section 505.7 Eligibility

This section establishes the minimum size for projects considered to be nationally or regionally significant as having eligible project costs that are reasonably anticipated to equal or exceed the lesser of \$500 million or 75 percent of the amount of Federal highway assistance funds apportioned for the most recently completed fiscal year to the State in which the project is located. For those projects that are proposed by multiple States, the FHWA is considering establishing the minimum size for projects as those having eligible project costs that are equal to or exceed the lesser of \$500 million or 75 percent of the amount of Federal highway assistance funds apportioned for the most recently completed fiscal year to the State in which the project is located that has the largest apportionment.

#### Section 505.9 Criteria for Grants

Under proposed section 505.9(a), a proposal must include, in its project description, evidence that the project is eligible to receive the Secretary's recommendation for funding. The proposal should: (1) Document the results of preliminary engineering; (2) Demonstrate that the project will generate national economic benefits, including creating jobs, expanding business opportunities, and impacting the gross domestic product, including, for example, a detailed project Cost-Benefit Analysis (CBA) including estimates of regional and national economic benefits expected to result from the project; (3) Demonstrate that the project will reduce congestion in the form of statements of current traffic volume, value, weight, volume to capacity (V/C) ratios, congestion levels, transit times (by time of day), and delays in the affected region and corridor, and projections of each for both the build and no-build scenarios; and (4) Demonstrate that the project will improve transportation safety in the form of statements of the number of crashes, injuries and fatalities in the affected region and corridor, and projections of each for both the build and no-build scenarios.

Under proposed section 505.9(b), the grant applicant must disclose to the Secretary any public-private partnership agreements in place or anticipated to be used to support the project. The grant applicant must identify areas where new technologies, including intelligent transportation systems that enhance the efficiency of the project, will be incorporated in the project. Finally, the grant applicant must provide

documentation of the results of environmental analysis.

Under proposed section 505.9(c), grant applicants must further provide evidence that the proposed project plan provides for the availability of contingency amounts reasonable to cover unanticipated cost increases, that each proposed non-Federal source of capital and operating financing is stable, reliable, and available within the proposed project timetable, and that the project has a non-Federal financial commitment that equals or exceeds the required non-Federal share of the cost of the project.

#### *Section 505.11 Project Evaluation and Rating*

This section describes the rating system the Secretary will use to determine whether a proposed project may be funded under the program. In making such determinations, the Secretary shall evaluate and rate the project as “highly recommended,” “recommended,” or “not recommended” based on the results of preliminary engineering, the project justification criteria, and the degree of non-Federal financial commitment.

#### *Section 505.13 Federal Government's Share of Project Cost*

This section establishes the Federal share for projects funded under this section at 80 percent, unless the grant recipient requests a lesser amount of Federal funding. However, under section 1964 of SAFETEA-LU, Alaska, Montana, Nevada, North Dakota, Oregon, and South Dakota are permitted to use the provisions of 23 U.S.C. 120(b) for determining the non-Federal match requirements for projects listed in section 1301.

#### *Section 505.15 Full Funding Grant Agreement*

This section establishes that a project financed under this subsection shall be carried out through a full funding grant agreement.

#### *Section 505.17 Applicability of Title 23, U.S. Code*

This section provides that funds made available to carry out this program shall be available for obligation in the same manner as if they were apportioned under chapter 1 of title 23, United States Code. This section also prohibits the transfer of funds between agencies.

#### **Rulemaking Analyses and Notices**

All comments received before the close of business on the comment closing date indicated above will be considered and will be available for

examination in the docket at the above address. Comments received after the comment closing date will be filed in the docket and will be considered to the extent practicable. In addition to late comments, the FHWA will also continue to file relevant information in the docket as it becomes available after the comment period closing date, and interested persons should continue to examine the docket for new material. A final rule may be published at any time after close of the comment period.

#### **Executive Order 12866 (Regulatory Planning and Review) and DOT Regulatory Policies and Procedures**

The FHWA has determined preliminarily that this action would be a significant rulemaking action within the meaning of Executive Order 12866 and would be significant within the meaning of the U.S. Department of Transportation's regulatory policies and procedures. This rulemaking proposes evaluation and rating procedures for Projects of National and Regional Significance as mandated in section 1301 of SAFETEA-LU.

The Projects of National and Regional Significance Program is a newly created and complex program, receiving substantial Federal funding. This action is considered significant because of the substantial State and local government, and public interest in the administration of this newly created program. Because this program is dedicated to constructing critical high-cost transportation infrastructure facilities that address critical national economic and transportation needs, it is essential for the FHWA to develop evaluations and rating criteria to ensure that selected projects will further the goals of the program.

This rule is not anticipated to adversely affect, in a material way, any sector of the economy. This rulemaking sets forth evaluation and ratings criteria for project proposals in the Projects of National and Regional Significance program, which will result in only minimal cost to program applicants. In addition, this proposed rule would not create a serious inconsistency with any other agency's action or materially alter the budgetary impact of any entitlements, grants, user fees, or loan programs. Consequently, a full regulatory evaluation is not required.

#### **Regulatory Flexibility Act**

In compliance with the Regulatory Flexibility Act (Pub. L. 96-354, 5 U.S.C. 601-612) we have evaluated the effects of this proposed action on small entities and have determined that the proposed action would not have a significant

economic impact on a substantial number of small entities.

The proposed rule addresses evaluation and rating procedures for States wishing to submit project proposals for Projects of National and Regional Significance. As such, it affects only States and States are not included in the definition of small entity set forth in 5 U.S.C. 601. Therefore, the Regulatory Flexibility Act does not apply, and the FHWA certifies that this action would not have a significant economic impact on a substantial number of small entities.

#### **Unfunded Mandates Reform Act of 1995**

This proposed rule would not impose unfunded mandates as defined by the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4; 109 Stat. 48). This proposed rule will not result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$120.7 million or more in any 1 year (2 U.S.C. 1532). Further, in compliance with the Unfunded Mandates Reform Act of 1995, the FHWA will evaluate any regulatory action that might be proposed in subsequent stages of the proceeding to assess the effects on State, local, and tribal governments and the private sector. Additionally, the definition of “Federal Mandate” in the Unfunded Mandates Reform Act excludes financial assistance of the type in which State, local, or tribal governments have authority to adjust their participation in the program in accordance with changes made in the program by the Federal Government. The Federal-aid highway program permits this type of flexibility.

#### **Executive Order 13132 (Federalism)**

This proposed action has been analyzed in accordance with the principles and criteria contained in Executive Order 13132, and the FHWA has determined that this proposed action would not have sufficient federalism implications to warrant the preparation of a federalism assessment. The FHWA has also determined that this proposed action would not preempt any State law or State regulation or affect the States' ability to discharge traditional State governmental functions.

#### **Executive Order 12372 (Intergovernmental Review)**

Catalog of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on

Federal programs and activities apply to this program. Accordingly, the FHWA solicits comments on this issue.

#### **Paperwork Reduction Act**

Under the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501), Federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct, sponsor, or require through regulations. The FHWA has determined preliminarily that this proposal does not contain collection of information requirements for the purposes of the PRA. The FHWA does not anticipate receiving project proposals from ten or more States in any given year because of the nature of the projects eligible under the PNRS program. These projects are critical high-cost transportation infrastructure facilities that often include multiple levels of government, agencies, modes of transportation, and transportation goals and planning processes that are not easily addressed or funded within existing surface transportation program categories. In fact, the Congress has identified only 25 such projects for funding over the 5-year authorization period currently established for this program.

#### **National Environmental Policy Act**

The agency has analyzed this proposed action for the purpose of the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4347) and has determined that the establishment of the evaluation and rating procedures for proposed Projects of National and Regional Significance, as required by the Congress in SAFETEA–LU, would not have any effect on the quality of the environment.

#### **Executive Order 12630 (Taking of Private Property)**

The FHWA has analyzed this proposed rule under Executive Order 12630, Governmental Actions and Interface with Constitutionally Protected Property Rights. The FHWA does not anticipate that this proposed action would affect a taking of private property or otherwise have taking implications under Executive Order 12630.

#### **Executive Order 12988 (Civil Justice Reform)**

This action meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

#### **Executive Order 13045 (Protection of Children)**

We have analyzed this rule under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. The FHWA certifies that this proposed action would not cause any environmental risk to health or safety that might disproportionately affect children.

#### **Executive Order 13175 (Tribal Consultation)**

The FHWA has analyzed this action under Executive Order 13175, dated November 6, 2000, and believes that the proposed action would not have substantial direct effects on one or more Indian tribes; would not impose substantial direct compliance costs on Indian tribal governments; and would not preempt tribal laws. The proposed rulemaking addresses evaluation and rating procedures for the Projects of National and Regional Significance Program and would not impose any direct compliance requirements on Indian tribal governments. Therefore, a tribal summary impact statement is not required.

#### **Executive Order 13211 (Energy Effects)**

We have analyzed this action under Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use dated May 18, 2001. We have determined that it is not a significant energy action under that order since it is not likely to have a significant adverse effect on the supply, distribution, or use of energy. Therefore, a Statement of Energy Effects is not required.

#### **Regulation Identification Number**

A regulation identification number (RIN) is assigned to each regulatory action listed in the Unified Agenda of Federal Regulations. The Regulatory Information Service Center publishes the Unified Agenda in April and October of each year. The RIN contained in the heading of this document can be used to cross-reference this action with the Unified Agenda.

#### **List of Subjects in 23 CFR Part 505**

Grant programs-transportation, Highways and roads, Intermodal transportation.

Issued on: July 18, 2006.

**Frederick G. Wright, Jr.,**

*Federal Highway Executive Director.*

In consideration of the foregoing, the FHWA proposes to add a new part 505 to title 23, Code of Federal Regulations, to read as follows:

#### **PART 505—PROJECTS OF NATIONAL AND REGIONAL SIGNIFICANCE EVALUATION AND RATING**

Sec.

505.1 Purpose.

505.3 Policy.

505.5 Definitions.

505.7 Eligibility.

505.9 Criteria for grants.

505.11 Project evaluation and rating.

505.13 Federal government's share of project cost.

505.15 Full funding grant agreement.

505.17 Applicability of Title 23, U.S. Code.

**Authority:** Section 1301 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Pub. L. 109–59; 119 Stat. 1144); 23 U.S.C. 315; 49 CFR 1.48.

#### **§ 505.1 Purpose.**

The purpose of this part is to establish evaluation, rating, and selection guidelines for funding proposed Projects of National and Regional Significance (PNRS).

#### **§ 505.3 Policy.**

A Project of National and Regional Significance should be of national and regional significance, and shall cause quantitatively projected improvements in economic productivity by facilitating international trade and providing congestion relief, and should improve transportation safety by facilitating passenger and freight movement.

#### **§ 505.5 Definitions.**

Unless otherwise specified in this part, the definitions contained in 23 U.S.C. 101(a) are applicable to this part. In addition, the following definitions apply:

*Applicant* means a State Department of Transportation.

*Eligible Project* means any surface transportation project eligible for Federal assistance under title 23, United States Code, including freight railroad projects and activities eligible under such title.

*Eligible Project Costs* means the costs of:

(1) Development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities; and

(2) Construction, reconstruction, rehabilitation, and acquisition of real property (including land related to the project and improvements to land), environmental mitigation, construction contingencies, acquisition of equipment, and operational improvements.

*Full funding grant agreement (FFGA)* means the agreement used to provide Federal financial assistance under title

23 U.S.C. for Projects of National and Regional significance. An FFGA defines the scope of the project, establishes the maximum amount of Government financial assistance for the project, covers the period of time for completion of the project, facilitates the efficient management of the project in accordance with applicable Federal statutes, regulations, and policy, including oversight roles and responsibilities, and other terms and conditions.

#### **§ 505.7 Eligibility.**

To be eligible for assistance under this program, a project shall have eligible project costs that are reasonably anticipated to equal or exceed the lesser of—

- (a) \$500,000,000; or
- (b) 75 percent of the amount of Federal highway assistance funds apportioned for the most recently completed fiscal year to the State in which the project is located.

#### **§ 505.9 Criteria for grants.**

(a) The Secretary will approve a grant for a Project of National and Regional Significance project only if the Secretary determines, based upon information submitted by the applicant, that the project:

- (1) Is based on the results of preliminary engineering;
- (2) Is supported by an acceptable degree of non-Federal financial commitments, including evidence of stable and dependable financing sources to construct, maintain, and operate the infrastructure facility; and
- (3) Is justified based on the ability of the project:
  - (i) To generate national and/or regional economic benefits, including creating jobs, expanding business opportunities, and impacting the gross domestic product;
  - (ii) To reduce congestion, including impacts in the State, region, and Nation;
  - (iii) To improve transportation safety, including reducing transportation accidents, injuries, and fatalities;
  - (iv) To otherwise enhance the national transportation system; and
  - (v) To garner support for non-Federal financial commitments and provide evidence of stable and dependable financing sources to construct, maintain, and operate the infrastructure facility.

(b) In selecting projects under this section, the Secretary will consider the extent to which the project:

- (1) Leverages Federal investment by encouraging non-Federal contributions to the project, including contributions from public-private partnerships;

(2) Uses new technologies, including intelligent transportation systems, that enhance the efficiency of the project; and

(3) Helps maintain or protect the environment.

(c) In evaluating a non-Federal financial commitment under paragraph (a)(2) of this section, the Secretary shall require that:

- (1) The proposed project plan provides for the availability of contingency amounts that the Secretary determines to be reasonable to cover unanticipated cost increases; and
- (2) Each proposed non-Federal source of capital and operating financing is stable, reliable, and available within the proposed project timetable. In assessing the stability, reliability, and availability of proposed sources of non-Federal financing, the Secretary will consider:
  - (i) Existing financial commitments;
  - (ii) The degree to which financing sources are dedicated to the purposes proposed;
  - (iii) Any debt obligation that exists or is proposed by the recipient for the proposed project; and
  - (iv) The extent to which the project has a non-Federal financial commitment that exceeds the required non-Federal share of the cost of the project.

#### **§ 505.11 Project evaluation and rating.**

(a) A proposed project may not be funded under this program unless the Secretary finds that the project meets the requirements of this part and there is a reasonable likelihood that the project will continue to meet such requirements.

(b) In making such findings, the Secretary shall evaluate and rate the proposed project as “highly recommended,” “recommended,” or “not recommended” based on the criteria in § 505.9 of this part. Individual ratings of “highly recommended,” “recommended,” or “not recommended” for each of the criteria will also be provided to the applicant.

#### **§ 505.13 Federal government's share of project cost.**

(a) Based on engineering studies, studies of economic feasibility, and information on the expected use of equipment or facilities, the Secretary shall estimate the project's eligible costs.

(b) A grant for the project shall be for 80 percent of the eligible project cost, unless the grant recipient requests a lower grant percentage. A refund or reduction of the remainder may only be made if a refund of a proportional amount of the grant of the Federal Government is made at the same time.

#### **§ 505.15 Full funding grant agreement.**

In general, a project financed under this section shall be carried out through a full funding grant agreement. The Secretary shall enter into a full funding grant agreement based on the evaluations and ratings required herein, and in accordance with the terms specified in section 1301(g)(2) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, (Pub. L. 109–59; 119 Stat. 1144).

#### **§ 505.17 Applicability of Title 23, U.S. Code.**

Funds made available to carry out this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that such funds shall not be transferable to other agencies and shall remain available until expended and the Federal share of the cost of a Project of National and Regional Significance shall be as provided in § 505.13.

[FR Doc. E6–11731 Filed 7–21–06; 8:45 am]

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## **ENVIRONMENTAL PROTECTION AGENCY**

### **40 CFR Part 122**

[EPA–HQ–OW–2006–0141; FRL–8202–7]

RIN A2040–AE86

### **Extension of Public Comment Period for the National Pollutant Discharge Elimination System (NPDES) Water Transfers Proposed Rule**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule; extension of the public comment period.

**SUMMARY:** On Wednesday, June 7, 2006, the Environmental Protection Agency published a proposed rule entitled “National Pollutant Discharge Elimination System (NPDES) Water Transfers Proposed Rule.” As initially published in the **Federal Register** on June 7, 2006, written comments on the proposed rulemaking were to be submitted to EPA on or before July 24, 2006 (a 45-day public comment period). Since publication, EPA has received several requests for additional time to submit comments. Therefore, the public comment period is being extended for 14 days and will now end on August 7, 2006.

**DATES:** Comments must be received on or before August 7, 2006.

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA–HQ–