

NHTSA

Regional Operations and Program Delivery

Grant Management and Oversight Guidance

Guidance	Non-Federal Share
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Revisions	

Signature _____ Date _____
Associate Administrator, Regional Operations and Program Delivery

Citation:

23 U.S.C. 120; 23 U.S.C. 402(d); Section 4001(e), Pub. L. 114-94; 23 CFR Part 1300, Appx. D.

Determining Non-Federal Share (i.e., Match):

The State Highway Safety grant programs have long been subject to a Federal share limitation, sometimes referred to as a State “matching” requirement. The purpose of this requirement is to share the Federal government’s cost for grant programs with States and local jurisdictions and to promote the sustainability of programs past the life of the Federal financial award. By statute, the Federal share payable for State Highway Safety grant programs is 80 percent.¹ Therefore, States must contribute a non-Federal share of 20 percent. If a State fails to do so, the agency is under an obligation to recover grant funds exceeding the permitted Federal share.

Federal law affords flexibility to States to aggregate all expenditures for highway safety activities by the State and political subdivisions to meet the matching requirement.² Except for planning and administration (P&A), States may count any eligible State or political subdivision expenditure under the Section 402 program or any of the Section 405 programs toward the matching requirement under either the Section 402 or the Section 405 program. In other words, a State will meet its 20 percent matching requirement if the total eligible State or political subdivision expenditures equal at least a 20 percent share of the total of its highway safety grant expenditures. States must retain adequate documentation supporting expenditures³ used as match for audit and oversight purposes, and make such documentation available to the Regional Administrator upon request.

The statutory provisions exclude “planning and administration” from this flexibility. P&A costs are those direct and indirect costs that are attributable to the management of the State Highway Safety Agency. For P&A, Federal share shall not exceed 50 percent of the State’s total P&A costs.

¹ See 23 U.S.C. 120. There are two exceptions: (1) the agency has the authority to increase the Federal share for a program conducted by an Indian tribe upon a finding that the tribe does not have sufficient funds to meet the non-federal share (23 U.S.C. 402(d)); and (2) the Federal share for the U.S. Territories is 100 percent (23 U.S.C. 120(g)).

² Section 402(d) provides for flexible match within Section 402 activities. Section 31101(e) of MAP-21 introduced this flexibility for Section 405 as well, and Section 4001(e) of the FAST Act continued this flexibility for current programs.

³ Expenditures used as match can be cash match and/or in-kind contributions. Allowable match must be eligible highway safety activities.