

## Announcement Fuel Tax Intergovernmental Efforts FY 2008

### A. Background

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (Pub. L. 109-59) passed in 2005, authorized over \$284 billion for surface transportation-related projects. Section 1101 (a) (21) of SAFETEA-LU authorized a total of \$127,100,000 in contract authority funding derived from the Highway Trust Fund for FYs 2005 through 2009 to further enhance compliance of motor fuel and highway use taxes. In the legislation under Section 1115 – Highway Use Tax Evasion, Intergovernmental Enforcement Efforts became a new eligible activity. The Federal Highway Administration (FHWA) administers the program and is seeking applications for the FY 2008 funding cycle. \$1 million a year has been set aside for Intergovernmental Enforcement Efforts. In FY 2007 grants were given to eight states ranging from \$48,000 to \$301,000. The grants went to States with innovative proposals for increasing collaboration and coordination among several public agencies to combat motor fuel tax evasion.

### B. Application Process

\$1 million is available from the FHWA for FY 2008. The deadline for FY 2008 applications is June 6, 2008. The Federal share payable is 100 percent. Applications must be submitted electronically through [www.Grants.gov](http://www.Grants.gov). Applicants are encouraged to register early at [www.Grants.gov](http://www.Grants.gov). New user registrations can take up to two weeks to complete. Applicants must be registered at [www.Grants.gov](http://www.Grants.gov) in order to submit an application online as required. The application package shall consist of the following:

- SF424-Short Form
- Project Abstract
- SF424A – Budget Information – Non-Construction Programs

The completion of the SF424-Short Form and the Project Abstract are mandatory. Eligible applicants include States, the District of Columbia, U. S. Territories and possessions, including Indian tribe or pueblo, the Republics of the Marshall Island and Palau and the Federated States of Micronesia.

Applicants are encouraged to submit innovative proposals to reduce fuel tax evasion and increase collaboration and coordination among several public agencies, including Federal agencies. Research and training proposals are also eligible. However, one State must be designated as the lead for each project that receives Federal funding. Priority will be given to proposals that involve more than one public agency. The minimum funding per project will be \$10,000 and the maximum funding per year per project will be \$250,000.

Any funds administered under this program shall be used in accordance with the specifications in OMB Circular A-87-Cost Principles Applicable to State, local and Indian Tribal Governments. The circular may be found at <http://.whitehouse.gov/OMB/circulars/a087/a087-all.html>. No project may be funded for a period of more than 2 years. Annual reports will be required for each project.

#### C. Submission Dates and Times

Applications must be received electronically through [www.Grants.gov](http://www.Grants.gov) by 4:15 pm Washington, DC time on June 6, 2008.

The deadline cited herein is the date and time by which the agency must receive the application.

Late applications will not be reviewed or considered unless it is determined it is in the Government's best interests to consider the application.

#### D. Other Submission Requirements

FHWA uses [www.Grants.gov](http://www.Grants.gov) for receipt of all applications. In the event of system problems or technical difficulties with the application submittal, applicants should contact the FHWA point of contact designated in the announcement. If applicants are unable to use the [www.Grants.gov](http://www.Grants.gov) system due to technical difficulties, applicants must e-mail applications to the FHWA point of contact designated in the announcement no later than the application deadline cited above.

#### E. Evaluation Criteria

The proposals will be evaluated on the following criteria:

- Proposals that involve more than one public agency.
- Proposals reflect regional strategy to combat tax evasion.
- Proposals focus on outcomes, not just activities.
- Proposals are innovative, i.e. creative techniques, collaborative efforts.

#### F. Review and Selection Process

After the application deadline, an interagency review group will be established to review the proposals received for the fuel tax evasion Intergovernmental Enforcement Efforts program. FHWA and IRS will jointly recommend and approve projects.

States selected to receive funding will enter into negotiations with FHWA and the designated lead state that will be required to enter into a project agreement with FHWA. As noted previously, annual reports will be required for each project and these requirements will be outlined in the project agreement.