

of 23 U.S.C. 307(c)(1) (up to 1½ percent) and 23 U.S.C. 134(a) (up to ½ percent).

*Metropolitan planning area* means the geographic area in which the metropolitan transportation planning process required by 23 U.S.C. 134 and section 8 of the Federal Transit Act (49 U.S.C. app. 1607) must be carried out.

*Metropolitan planning organization (MPO)* means the forum for cooperative transportation decisionmaking for a metropolitan planning area.

*National pooled-fund study* means a planning or RD&T study or activity expected to solve problems of national significance, usually administered by the FHWA headquarters office in cooperation with States and/or MPOs, that is funded by State and/or MPO contributions of FHWA planning and research funds, with or without matching funds.

*Procurement contract* means a legal instrument between an awarding agency and recipient where the principal purpose is to acquire (by purchase, lease, or barter) property or services for the direct benefit or use of the awarding agency.

*Regional pooled-fund study* means a planning or RD&T study expected to solve problems of regional significance, usually administered by an FHWA region office in cooperation with a lead State and/or MPO, that is funded by State and/or MPO contributions of FHWA planning and research funds, with or without matching funds.

*State transportation agency (STA)* means the State highway department, transportation department, or other State transportation agency to which Federal-aid highway funds are apportioned.

*Work program* means a periodic statement of proposed work and estimated costs that document the eligible activities to be undertaken with FHWA planning and research funds during the next 1 or 2-year period by STAs and/or their subrecipients.

#### § 420.105 Policy.

(a) Within the limitations of available funding and with the understanding that planning activities of national significance, identified in paragraph (b) of this section, and the requirements of 23 U.S.C. 134, 135, 303, and

307(c) are being adequately addressed, the FHWA will allow STAs and their subrecipients:

(1) Maximum possible flexibility in the use of FHWA planning and research funds to meet highway and multimodal transportation planning and RD&T needs at the national, State, and local levels while ensuring legal use of such funds and avoiding unnecessary duplication of efforts; and

(2) To determine which eligible planning and RD&T activities they desire to support with FHWA planning and research funds and at what funding level.

(b) The STAs shall provide data that support the FHWA's responsibilities to the Congress and to the public. These data include, but are not limited to, information required for: Preparing proposed legislation and reports to the Congress; evaluating the extent, performance, condition, and use of the Nation's transportation systems; analyzing existing and proposed Federal-aid funding methods and levels and the assignment of user cost responsibility; maintaining a critical information base on fuel availability, use, and revenues generated; and calculating apportionment factors.

(The information collection requirements in paragraph (b) of § 420.105 have been approved by the Office of Management and Budget (OMB) under control numbers 2125-0028 and 2125-0032.)

#### § 420.107 SPR minimum research, development, and technology transfer expenditure.

(a) In accordance with the provisions of 23 U.S.C. 307(c), not less than 25 percent of the SPR funds apportioned to a State for a fiscal year shall be expended for RD&T activities relating to highway, public transportation, and intermodal transportation systems, unless the State certifies, and the FHWA accepts the State's certification, that total expenditures by the State during the fiscal year for transportation planning under 23 U.S.C. 134 and 135 will exceed 75 percent of the amount apportioned for the fiscal year.

(b) Prior to submitting a request for an exception to the 25 percent requirement, the State shall ensure that:

(1) The additional planning activities are essential and there are no other