



March 13, 2025

**U.S. Department of Transportation
Issues Competitive Grant Guidance
*Addressing Energy, Climate Change, Diversity, and Equity***

On March 11, 2025, the U.S. Department of Transportation (DOT) issued a [directive](#) to all modal agencies, including the Federal Transit Administration and Federal Railroad Administration, to **conduct a review of all competitive grant programs and awards, including a project-by-project review in certain circumstances. The focus of this review is to identify project scope and activities that are allocating funding to advance climate, equity, and other priorities counter to the Trump Administration’s Executive Orders.**

The guidance applies to competitive award selections made after January 20, 2021 (FY 2022 – FY 2025) without grant agreements or partially obligated grant agreements. It does not apply to projects with executed grant agreements that are fully obligated.

Under the directive, DOT instructs modal agencies to identify programs that may include any of the following elements: “equity activities, Diversity, Equity, and Inclusion (DEI) activities, climate change activities, environmental justice (EJ) activities, gender-specific activities, when the primary purpose is bicycle infrastructure (i.e., recreational trails and shared-use paths, etc.), electric vehicles (EV), and EV charging infrastructure.” If these programs meet certain criteria, they are subject to a project-by-project review.

Project-by-project reviews will examine and flag any project scope elements or activities for potential removal, including:

- project activities such as equity analysis, green infrastructure, bicycle infrastructure, EV and/or EV charging infrastructure.
- project purpose or primary project benefits include equity and/or climate such as projects that purposefully improve the condition for EJ communities or actively reduce GHG emissions.

Based on their review, agencies must recommend to the Office of the Secretary which project selections should:

- continue in their current form with no change;
- be revised with a reduced or modified scope; or
- be canceled entirely.

If a project should be revised, the agency will negotiate with the project sponsor to update the project scope to eliminate and, where possible, replace identified project

elements that align with the program statute, scope of the project sponsor's application, and Trump Administration Executive Orders. If the project sponsor does not agree to remove project elements, DOT directs that the agency should proceed with a reduced award that removes the flagged scope and activities.

View [the DOT Guidance here](#).

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