

Rebuild Alabama Act Annual Grant Program Fiscal Year 2026 Program Guidelines

This document contains information regarding the Rebuild Alabama Act (RAA) Annual Grant Program for Fiscal Year (FY) 2026. The RAA Annual Grant Program is administered by the Alabama Department of Transportation (ALDOT). Prospective sponsoring governmental agencies are encouraged to thoroughly review this document, as well as the FY 2026 RAA Annual Grant Program Application and FAQ document, when considering developing a project application.

A. ELIGIBILITY:

Any political subdivision of the State of Alabama (Municipal and County Governments) is eligible to apply for funding under the RAA Annual Grant Program.

Project applications may be submitted for improvements to any classified public road or bridge owned and maintained by the applicant that is open to public traffic.

The final eligibility of applications and proposed project activities will be determined by ALDOT upon evaluation of the application submitted.

B. COMPETITIVE SELECTION

RAA Annual Grant Program funds are awarded through a competitive project selection process.

C. PROJECT FUNDING:

The RAA Annual Grant Program was established by Legislative Act #2019-2. The program allocates no less than \$10 million annually to eligible projects as identified by ALDOT during a fiscal year.

The total funding allocated for the FY 2026 program will be \$15 million.

\$10 million of the FY 2026 allocation will be awarded with no local match required. The maximum amount of funding that can be requested per project with no match required will be \$250,000.

\$5 million of the FY 2026 allocation will be awarded with a 50 percent local match required. Any RAA Annual Grant funding requested over \$250,000 will require a dollar-for-dollar local match from the sponsor, up to a maximum of \$100,000 per project.

Therefore, the maximum amount of total RAA Annual Grant funding that can be requested per project is \$250,000 with no local match required, or \$350,000 with a local match of \$100,000.

RAA Annual Grant Program funding is only available for eligible construction activities. No Preliminary Engineering, Right-of-Way, Utility Relocation, Construction Engineering & Inspection or Materials Testing costs will be eligible.

RAA Annual Grant Program awarded funds will be issued to the sponsoring agency either (1) upon ALDOT's receipt of a Notice of Award from the sponsoring agency to the contractor, or (2) upon ALDOT's receipt of a Purchase Order (PO) from the sponsoring agency issued against a valid, eligible in-place bid contract. Materials and labor costs are only eligible if included in the original in-place bid.

RAA Annual Grant Program awarded funding that requires a local match (those over \$250,000) will be issued to the sponsor based on a 50 / 50 share according to the actual bid amount on the Notice of Award, or the actual amount of the P.O. invoices submitted.

RAA Annual Grant Program awarded funds cannot be transferred to another project and may only be used to fund improvements consistent with the intent of the original project application.

RAA Annual Grant Program funds may be combined with other funding sources when approved by ALDOT. In such cases, the more restrictive funding requirements may apply to all funds utilized. Note that RAA Annual Grant funding availability deadlines still apply when combined with other funding sources.

A sponsoring governmental agency may only submit one project application per application cycle. Each County and Municipality will be viewed as an individual sponsor. Any project submitted by multiple sponsors shall be deemed as the eligible submission for all sponsors.

Sponsors with an active award may not submit another application until the awarded project has been let to contract or a purchase order utilizing a valid, eligible in-place bid contract has been issued.

Other funding sources to supplement RAA Annual Grant Program funds are not required, but projects containing a commitment to provide supplemental funding may be given favorable consideration.

D. PROJECT PROGRESS:

RAA Annual Grant Program funds are available to sponsoring agencies for a period of one (1) year from the notice of award. Funding awarded to a sponsoring agency not either let to contract or a purchase order issued against a valid, eligible in-place bid contract within one year of the notice of award are subject to rescission.

Any overrun in total project costs above the amount awarded shall be the responsibility of the sponsoring agency.

E. MISCELLANEOUS PROVISIONS:

Projects must be let to competitive bid. In-place bids may also be utilized as long as those bids were awarded following all required competitive bid laws for eligibility. Only items (materials and/or

labor) that are included in the In-place bid are considered eligible costs to the project. No other method of construction, such as force account is allowed.

Any public road or bridge included in the scope of the project must be owned and maintained by the application sponsor. If it is determined that the scope of the project includes roads or bridges that are not owned by the sponsor, then those locations will be considered ineligible, and any awarded funds will be rescinded.

No work is to be completed prior to an application being awarded funding. Any work completed prior to an application being issued an award letter from ALDOT will disqualify the application from being eligible for award and /or payment.

RAA Annual Grant Program funds have reporting requirements. Recipients will be required to furnish any and all requested data to ALDOT or other specified or required entities necessary to satisfy any reporting requirements.

F. APPLICATION SUBMISSION & SELECTION

All applications **must be submitted electronically** no later than 5:00 pm on **February 20, 2026**.

Applications should be sent in through <https://aldot.submittable.com/submit> . Any questions can be sent to RAAGrantApp@dot.state.al.us or williamsle@dot.state.al.us