



Missouri Highways and Transportation Commission Policies

Category: FINANCIAL
Subcategory: Project Funding and Financing Alternatives
Sub-Subcategory: Cost Share Program

Cost-Share Program

Since 1926, counties and political subdivisions have been allowed to participate in the cost of improvements on the state highway system in order to advance the projects. On December 9, 1988, the Commission approved its first policy pertaining to business enterprise participation in improvement projects on the state highway system.

Cost Share Committee

The Cost Share Committee consists of the Deputy Director/Chief Engineer, Chief Financial Officer, Assistant Chief Engineer, and two members selected by the Director.

The Cost Share Committee will select projects under this program; however, the Commission may select projects that demonstrate economic development. Projects are selected prior to recommending approval by the Commission via a Statewide Transportation Improvement Program (STIP) amendment.

In addition to the Project Funding and Financing Alternatives policy, Cost Share Program projects must be in compliance with all of the following:

- Project must be on state highway system.
- Local metropolitan planning organization (MPO) or regional planning commission (RPC) must support the project.
- The department District Engineer in which the project is located must review the need and proposed solution before the project can be considered.
- Agreement approved by the Missouri Highways and Transportation Commission (MHTC) and the project sponsor is required for each project. The MHTC agreement identifies project expenses that will be included and each party's responsibility for project costs. These agreed upon expenses are called "participation costs."
- At a minimum, the agreement between MHTC and the project sponsor will include expenses for construction inspection, construction contract, and any construction change orders. Other expenses that may be included are preliminary engineering, right of way acquisition, right of way incidental costs and utility relocations.
- When project sponsors are willing to partner with the department, the department will match their investment up to fifty percent (50%) of the project cost. The department will work in cooperation with the Department of Economic Development and project sponsors to determine when targeted investments can be made to create jobs and may provide up to one hundred percent (100%) of participation costs. Nine million dollars (\$9.0 million) of the cost share program funds are set aside annually for projects that demonstrate economic development through job creation.
- Retail development projects do not qualify as economic development projects that create jobs.

- Projects that significantly expand the state highway system or increase maintenance costs for MoDOT must have pre-approval by the Deputy Director/Chief Engineer prior to submittal of the application to MoDOT. If a project significantly expands the state highway system or increases maintenance costs the Commission may seek an agreement for the project sponsor to either: (1) accept the transfer of ownership of a portion of the existing state highway system in an amount of miles as determined by the Commission; or (2) payment of all increased maintenance costs.

Effective Date: January 8, 2025
 Supersedes Policy Dated: March 3, 2021
 Last Reaffirmed: February 6, 2019
 Date of Origin: December 9, 1988

Related Commission Minutes – February 9, 1926; December 9, 1988; October 5, 1990; November 2, 1990; December 6, 1991; August 6, 1993; September 8, 1993; January 12, 1996; October 3, 1997 (2); August 10, 2001; March 10, 2004. November 7, 2013- combined Commission actions pertaining to the various funding and financing options with the Project Funding and Financing Alternatives Policy. January 8, 2014 – suspended cost share program; January 4, 2017 – reinstated cost share program. February 7, 2018 – separated Commission actions pertaining to the various funding and financing options, removed reference to economic development, added two Cost Share committee members selected by Director, modified project requirements. February 6, 2019-reaffirmed. March 3, 2021, revised policy to set aside twenty percent of cost share funds for projects that demonstrate economic development. January 8, 2025, revised policy to set aside nine million dollars of cost share funds for projects that demonstrate economic development.