

**Exhibit 12-B****MILITARY TRAFFIC MANAGEMENT COMMAND  
ELIGIBILITY CRITERIA**1. Defense Access Roads

- a. Military Installations. The Department of Defense has the responsibility for determining the eligibility of proposed improvements for financing with defense access road funds. Generally, projects meeting the following requirements will be considered appropriate for such financing.
- (1) Access roads providing new connections between either old or new military installations and main highways may be considered eligible for 100 percent financing with defense access road funds, providing that in urban areas where a new entrance is established and access to a main thoroughfare is via existing city streets, the 100 percent defense access financing extends outward from the reservation only so far as the traffic generated by the installation is greater than other traffic.
  - (2) Urgently needed improvements of existing highways that are neither a part of nor qualified for inclusion in the federal-aid urban system, but upon which traffic is suddenly doubled (or more than doubled) by reason of the establishment or expansion of a permanent military installation may be considered eligible for financing in whole or in part with defense access road funds. One hundred percent defense access road financing will be considered only on the lightly traveled portion of these highways which are a part of the federal-aid rural system, or which are of insufficient importance to qualify for such designation. The more heavily traveled federal-aid rural highways (upon which traffic is suddenly doubled or more than doubled), generally regarded as being self-supporting from their earnings of road-user revenues, are eligible for only partial defense access road financing.
  - (3) Urgent improvements needed to avoid intolerable congestion or critical structural failure of any highway serving a temporary surge of defense-generated traffic (such as that which results from the establishment and operation of a temporary military installation, or from large-scale construction activity) may be considered eligible for financing to the extent necessary to provide the minimum essential facility to accommodate the temporary surge of traffic. A temporary surge of traffic is defined as one of several months duration, at least, but very short in duration as compared to the total life of a normal highway improvement.
  - (4) Alteration of a public road in the immediate vicinity of a military installation to accommodate regular and frequent movements of special military vehicles such as tank transporters or heavy ammunition carriers may be financed with defense access road funds, provided it is impractical or uneconomical to acquire right-of-way and develop such roads for exclusive military use. However, highway funds from other sources should finance any improvement that may be needed to bring the highway to a stage satisfactory for accommodation of all traffic except the special military vehicles.

- (5) Access roads serving State National Guard facilities which are federally owned are eligible under paragraphs 1a (2) and (4). Roads serving federally owned National Guard facilities, which are of appreciable non-military local benefit, are eligible for only partial defense access road financing. Roads serving state-owned National Guard facilities are ineligible.
  - (6) No highway located within the boundaries of a military reservation is eligible for financing from defense access road funds. This prohibition does not apply to a highway through a military reservation on public rights-of-way open to free use of the public with no military restrictions or to a highway located along and partly within the installation boundaries but not subject to closure by military authorities.
  - (7) Projects on the NHS are not generally considered eligible for financing with defense access road funds.
  - (8) Traffic signal installations when justified may be financed as part of a new construction project.
- b. Defense Industries. Criteria governing eligibility of access roads for military installations also apply to any defense industry as defined in current joint Army-Navy-Air Force regulations.
2. Replacement Roads (Military). Highways constructed to replace those closed by establishment of new military installations or the expansion of old ones are considered eligible for financing with defense access road funds to the extent of 100 percent of the cost of constructing the replacement road to current standards for current traffic.