

Transit Asset Management Final Rule Fact Sheet

The Moving Ahead for Progress in the 21st Century Act (MAP-21) required the Secretary to develop rules to establish a system to monitor and manage public transportation assets by establishing performance measures to improve safety and increase reliability. The Fixing America's Surface Transportation (FAST) Act reaffirmed this requirement. On July 26, 2016, FTA published the Transit Asset Management (TAM) Final Rule. You may view the Final Rule at:

<https://federalregister.gov/a/2016-16883>



State of Good Repair

The purpose of the Final Rule is to help achieve and maintain a state of good repair (SGR) for the nation's public transportation assets. Transit asset management is a business model that uses transit asset condition to guide the optimal prioritization of funding. Currently, there is an estimated \$98.2 billion transit SGR backlog.

The regulations apply to all Transit Providers that are recipients or subrecipients of Federal financial assistance under 49 U.S.C. Chapter 53 and own, operate, or manage transit capital assets used in the provision of public transportation.

State of Good Repair

The condition in which a capital asset is able to operate at a full level of performance. A capital asset is in a state of good repair when that asset:

1. Is able to perform its designed function,
2. Does not pose a known unacceptable safety risk, and
3. Its lifecycle investments must have been met or recovered.

TAM Plans

Tier I vs. Tier II Applicability

The Final Rule groups providers into two categories: Tier I and Tier II.

Tier I

Operates rail

OR

≥ 101 vehicles across all fixed route modes

OR

≥ 101 vehicles in one non-fixed route mode

Tier II

Subrecipient of 5311 funds

OR

American Indian Tribe

OR

≤ 100 vehicles across all fixed route modes

OR

≤ 100 vehicles in one non-fixed route mode

TAM Plan Elements

The following graphic shows the TAM Plan elements that are required by each category of provider. Since Tier II providers generally operate less complex systems, their TAM Plan requirements are not as extensive.

1. Inventory of Capital Assets	<u>Tier I & II</u>
2. Condition Assessment	
3. Decision Support Tools	
4. Investment Prioritization	
5. TAM and SGR Policy	<u>Tier I Only</u>
6. Implementation Strategy	
7. List of Key Annual Activities	
8. Identification of Resources	
9. Evaluation Plan	

Assets Included in Plan

It is expected that all assets used in the provision of public transit will be included in the TAM Plan asset inventory. This includes (with the exception of equipment) assets that are owned by a third party or shared resources. The inventory must include all service vehicles, and any other owned equipment assets over \$50,000 in acquisition value. Agencies only need to include condition assessment for assets for which they have direct capital responsibility.

Plan Responsibility

Tier I providers must develop and carry out their own TAM plans. Tier II providers may develop their own plans or participate in a Group Plan, which is compiled by a Group Plan Sponsor (generally the State DOT or designated §5310 recipient). Group Plan Sponsors must offer participation to §5310 and §5311 sub-recipients. They may also offer participation to Tier II §5307 agencies, but they are not required to and the §5307 agencies are not required to participate. Each Transit Provider must designate an Accountable Executive to ensure that the necessary resources are available to carry out the TAM plan and the Transit Agency Safety Plan, regardless of whether it develops its own TAM Plan or participates in a Group Plan.

Performance Management

Asset performance is measured by asset class, which means a subgroup of capital assets within an asset category. The following table shows assets for which performance needs to be reported to the NTD and the associated performance measures.

Assets: <i>Only those for which agency has direct capital responsibility</i>	Performance Measure
Equipment: Non-revenue service vehicles by asset class	Percentage of non-revenue vehicles met or exceeded Useful Life Benchmark
Rolling Stock: Revenue vehicles by asset class	Percentage of revenue vehicles met or exceeded Useful Life Benchmark
Infrastructure: Only rail fixed-guideway, track, signals and systems	Percentage of track segments with performance restrictions
Facilities: Maintenance and administrative facilities; passenger facilities and parking facilities	Percentage of assets with condition rating below 3.0 on FTA TERM Scale

Useful Life Benchmark

The expected lifecycle of a capital asset for a particular Transit Provider's operating environment, or the acceptable period of use in service for a particular Transit Provider's operating environment

Target Setting

Targets should be set by each transit provider or TAM plan sponsor for each applicable asset class for the coming fiscal year. To the extent feasible, targets should be supported by data such as the most recent condition data and reasonable financial projections for the future.

Timeframes/Reporting

TAM Plans

A TAM plan must be updated in its entirety at least every 4 years, and it must cover a horizon period of at least 4 years. An initial TAM plan was required by October 2018; an updated TAM plan is required by October 1, 2022.

NTD

Each entity developing a TAM Plan must report annually to FTA's National Transit Database (NTD). This submission includes: (1) an inventory of assets; (2) condition assessments and performance results; (3) projected targets for the next fiscal year; and (4) a narrative report on changes in transit system conditions and the progress toward achieving previous performance targets.



Additional Information

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Final Rule Docket Number: FTA-2016-16883

<https://www.transit.dot.gov/TAM>

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