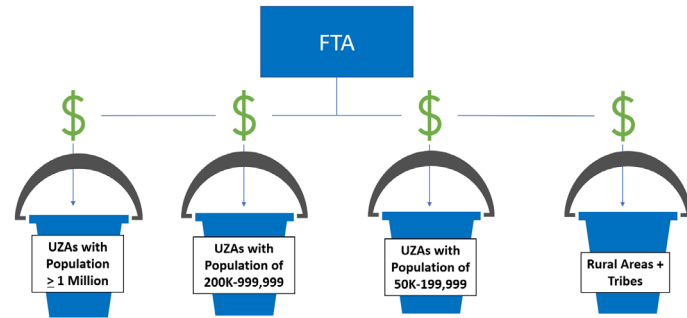


SUMMARY OF FISCAL YEAR (FY) 2024 APPORTIONMENT CHANGES

FTA Apportionments Background

- 1) The Federal Transit Administration (FTA) apportions funds annually in accordance with statutory formulas (set in law) for programs covered by [49 U.S.C. Chapter 53](#). FTA does not have the authority to apportion these funds in a different manner than what is prescribed in statute.
- 2) Apportionments are made to various tiers of Census geographies (e.g., Urbanized Areas or UZAs vs. rural areas) based on established population thresholds, as provided below:

Tiers of Census Geographies Receiving Apportionments



- 3) These tiers function as independent buckets of funding that receive set amounts to be divided among the specific areas falling within each based on how they stack up against each other with respect to statutory formula factors.
- 4) These factors include [figures provided by the U.S. Census Bureau](#), such as population and population density, and [transit service data reported to the National Transit Database \(NTD\)](#), such as vehicle revenue miles (VRM) and passenger miles traveled (PMT), among others, and vary among formula programs (e.g., Section 5307 vs. Section 5310).

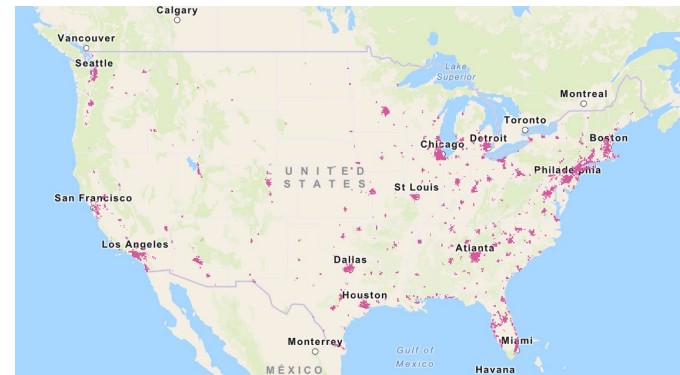
For some formula programs, such as Section 5307: Urbanized Area Formula Grants, the formula factors vary between Census geography tiers (i.e., UZAs < 200K in population vs. UZAs ≥ 200K) within the same formula program. See [FTA Recipients and Formula Factors Table](#) on FTA's 2020 Census Resources and Information webpage.

- 5) Also, formula factors that are common to more than one Census geography tier are worth different values from tier to tier, and many of these values change from year to year. For instance, population is worth a different dollar amount per unit in a UZA with ≥200K in population than one with < 200K. See [FY 2024 Formula Apportionments Data Unit Values](#) for differences in these values among tiers.

2020 Census and Relevance to FTA Programs

- 1) The Census Bureau delineates [urban vs. rural geographic areas](#) across the nation every 10 years to coincide with the decennial census.
- 2) In December of 2022, the U.S. Census Bureau released [new urban area boundaries](#) that correspond to the 2020 Census. All UZA boundaries (urban areas with a population of at least 50,000) have changed to some extent between 2010 and 2020.

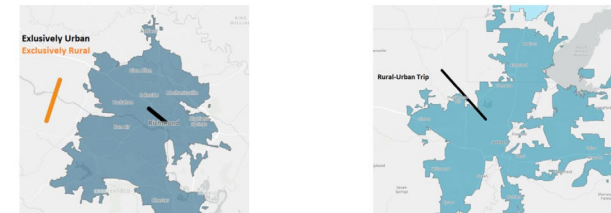
Some have contracted or grown in geographic coverage, some have traded territory, some were eliminated and are now completely rural, some were eliminated but are now part of another UZA, and some either exceeded or fell below the critical 200,000 in population threshold.
- 3) UZA-specific changes are described in FTA's [Crosswalk of 2020 Census Changes](#) and may be viewed through a geographic lens using FTA's [Interactive Census Map](#).



- 4) The 2020 urban area delineations directly impact FTA formula apportionments beginning with the [FY 2024 apportionments](#).

National Transit Database Reporting

- 1) Transit agencies annually report data (e.g., vehicle revenue miles) to the [National Transit Database \(NTD\)](#) for service provided, and there is typically a gap year from NTD report year to year of apportionment informed by that data (e.g., 2022 NTD report year informs FY 2024 apportionments).
- 2) The data are allocated to UZAs or rural areas based on transit service place of performance in accordance with FTA's [NTD Reporting Policy Manual](#) for the respective report year.
- 3) If a reporter serves only one area, then all service data is allocated to that area. If a reporter serves more than one area, the reporter must decide how to allocate data among those areas, subject to the 'Serve Rules' provided in FTA's [NTD Reporting Policy Manual](#).



- 4) The areas served determine the service metrics attributed to a UZA or rural area, which is a key input in determining UZAs' and States' and Territories' apportionments. Areas served and data reported may change with Census boundary changes every 10 years and/or with transit provider service changes.

Impacts on FY 2024 Apportionments

- 1) The [FY 2024 formula apportionments](#) will be the first to use the new [2020 Census UZA delineations and population figures](#). All formula funding from FY 2023 and prior years going back to the last decennial Census was apportioned based on the [2010 Census](#), and those funds can continue to be used according to the program and UZA size and place of performance applicable at the time those funds were apportioned (pre-2020 Census).
- 2) For formulas, or parts thereof, driven by transit service data, the FY 2024 apportionments will use [2022 data](#) reported by transit agencies to the NTD. For the [FYs 2022 and 2023 apportionments](#), FTA used the service data from each NTD reporter's annual report that had the highest agency VRM from either 2019 or the most recent year reported.
- 3) Across all Census geography tiers, measures of service output (e.g., VRM) and consumption (e.g., PMT) that inform the FY 2024 apportionments decreased significantly from those that informed the FY 2023 apportionments.
- 4) Further, Census changes resulted in considerable population increases in both tiers of large UZAs (over 200K in population) and in rural areas, as well as considerable increases in population density across all UZA tiers.
- 5) These changes have resulted in significant impacts to the value of formula factors that drive apportionments:

Overall Impact on UZA Formula Factors From FY 2023 to FY 2024

Formula Factors Worth More Per Unit		Formula Factors Worth Less Per Unit	
Bus VRM	+19-23%	Population*	-3-7%
Fixed Guideway VRM	+12%	Population X Density	-6-14%
Bus Incentive (PMT X PMT/Operating Expenses)	+202%		
Fixed Guideway Incentive (PMT X PMT/Operating Expenses)	+264%		

*Unit value for population only worth less for large UZAs; worth slightly more for small UZAs

- 6) Accordingly, apportioned amounts to UZAs, States, and Territories in FY 2024 have fluctuated in proportion to these changes in formula factor values between the FY 2023 and FY 2024 apportionments.
- 7) Please contact your FTA regional office with any questions on apportionment changes or any permitted flexibilities that may help recipients better adjust to these changes, such as apportionment transfers between Census geography tiers or options for using funds outside of the apportioned geography.