



U.S. Department of Transportation
Federal Transit Administration



FACT SHEET:
URBANIZED AREA FORMULA PROGRAM GRANTS
49 U.S.C. Chapter 53, Sections 5307 & 5340

	FY15/MAP-21 (in millions)	FY16 (in millions)	FY17 (in millions)	FY18 (in millions)	FY19 (in millions)	FY20 (in millions)
Urbanized Area Formula (5307)	\$4,428.65	\$4,508.91	\$4,599.68	\$4,696.91	\$4,797.12	\$4,899.45
Passenger Ferry	\$30	\$30	\$30	\$30	\$30	\$30
Total 5307	\$4,458.65	\$4,538.91	\$4,629.68	\$4,726.91	\$4,827.12	\$4,929.45
Growing States/High Density Formula (5340)*	\$450.90	\$458.70	\$464.92	\$471.28	\$477.76	\$484.39
Urbanized Area Formula Program TOTAL	\$4,909.55	\$4,997.61	\$5,094.60	\$5,198.19	\$5,304.88	\$5,413.84

*Estimated amount of additional funding from the Section 5340 formula for the 5307 program

PROGRAM PURPOSE: The Urbanized Area Formula Funding program makes Federal resources available to urbanized areas and to Governors for transit capital and operating assistance, and for transportation related planning in urbanized areas. An urbanized area is an incorporated area with a population of 50,000 or more that is designated as such by the U.S. Department of Commerce, Bureau of the Census.

Statutory References: 49 U.S.C. Section 5307 and 5340 / FAST Act Sections 3004, 3016

Program Requirement: [FTA Circular C 9030.1E Urbanized Area Formula Program: Program Guidance and Application Instructions.](#)

Eligible Recipients: Funding is made available to designated recipients that must be public bodies with the legal authority to receive and dispense Federal funds. Governors, responsible local officials and publicly owned operators of transit services designate a recipient to apply for, receive, and dispense funds for transportation management areas pursuant to 49 U.S.C. 5307(a)(2). Generally, a transportation management area is an urbanized area with a population of 200,000 or more. The Governor or Governor’s designee is the designated recipient for urbanized areas between 50,000 and 200,000.

Eligible Activities: Eligible activities include planning, engineering design and evaluation of transit projects and other technical transportation-related studies; capital investments in bus and bus-related

activities such as replacement of buses, overhaul and rebuilding of buses; crime prevention and security equipment; construction of maintenance and passenger facilities; and capital investments in new and existing fixed guideway systems including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software. All preventive maintenance and some Americans with Disabilities Act complementary paratransit service costs are considered capital costs.

For urbanized areas with populations less than 200,000, operating assistance is an eligible expense. In areas over 200,000 in population, operating assistance is an eligible expense in certain situations, described below.

For urbanized areas with 200,000 in population and over, funds are apportioned and flow directly to a designated recipient selected locally to apply for and receive Federal funds. For urbanized areas under 200,000 in population, the funds are apportioned to the Governor of each state for distribution. A few areas under 200,000 in population have been designated as transportation management areas and receive apportionments directly.

What's Changed?

- The Special Rule relating to operating costs for “100 bus providers” has been expanded to include demand response public transportation service operated by state or local governmental authorities, excluding ADA complementary paratransit service.
- Additionally, in determining the amount of operating assistance available for specific systems in urbanized areas under the Special Rule, public transportation systems may execute a written agreement with one or more other public transportation systems within the urbanized area to allocate funds by a method other than by measuring vehicle revenue hours.
- Recipients may now use up to 20% of their 5307 allocation (previously 10%) for the operation of paratransit service, if certain conditions are met
- A provision has been added that directs recipients to maintain equipment and facilities in accordance with their transit asset management plan.
- Recipients are no longer required to expend 1 percent of their funding for associated transit improvements. However, recipients are still required to submit an annual report listing projects that were carried out in the preceding fiscal year.
- Starting in FY 2019, the Small Transit Intensive Cities (STIC) tier will increase to 2 percent from 1.5 percent.
- Grantees may use up to 0.5% of their 5307 allocation on Workforce Development activities.

Funding:

Federal Share: The Federal share is not to exceed 80 percent of the net capital project cost. The Federal share may not exceed 50 percent of the net project cost of operating assistance.

Formula Details: Funding is apportioned on the basis of legislative formulas. For areas of 50,000 to 199,999 in population, the formula is based on population and population density. For areas with populations of 200,000 and more, the formula is based on a combination of bus revenue vehicle miles, bus passenger miles, fixed guideway revenue vehicle miles, and fixed guideway route miles as well as population and population density.

Passenger Ferry Grant Program: \$30 million is set aside for discretionary passenger ferry grants to urbanized areas, to be allocated through competitive selection.

For Additional Information on FTA and the FAST Act, please visit: www.fta.dot.gov/fastact