

FEDERAL TRANSIT ADMINISTRATION

#### **GROW AMERICA Act**

Surface Transportation Reauthorization: Public Transportation Priorities



#### Overview

- GROW AMERICA Act Priorities
- FTA's Reauthorization Priorities
- Highlights of New Programs and Modifications to Existing Programs Under MAP-21
- Paying for the GROW AMERICA Act



#### **GROW AMERICA Act**

- A four-year, \$302 billion surface transportation authorization to replace MAP-21, which expires September 30, 2014.
- Invests \$72 billion in public transportation over 4 years—nearly a 70% increase over MAP-21.
- Builds on MAP-21 priorities and strengthens commitment to safety, state-of-good-repair, efficiency, performance, and underserved populations.
- Addresses the challenges of a nation expected to grow by 100 million residents by 2050.



#### FTA's Reauthorization Priorities

- Significant "bump" in funding with new opportunities to modernize, expand bus and bus facilities, and grow bus rapid transit (BRT).
- Increases our commitment to drive down \$86
  billion transit maintenance backlog and address
  state-of-good-repair needs among bus and rail
  systems.
- Streamlines and accelerates regional transportation investments through better coordination among federal, state, and planning stakeholders.



#### FTA's Reauthorization Priorities

- Creates new ladders of opportunity for the American workforce by enhancing access to training in high-tech, operations, and construction jobs within the transit industry.
- Protects American jobs and domestic manufacturing by strengthening Buy America requirements over the four year GROW AMERICA Act period.



# Highlights of Program Changes

#### New

- Fixing and Accelerating Surface Transportation Program (5602)
- Rapid Growth Area Transit Program (5341)
- Local Hiring Provisions

#### **Modified**

- Bus and Bus Facilities (5339)
- State of Good Repair (5337)
- Human Resources and Training (Workforce Development) (5322)
- Metropolitan Transportation Planning (5303)
- Enhanced Mobility of Seniors and Individuals with Disabilities (5310)
- Formula Grants for Rural Areas (5311)
- Public Transportation Safety (5329)

### Repealed or Consolidated

•No MAP-21
programs are
repealed or
consolidated in
the proposed
GROW AMERICA
Act



#### **Program Funding Levels Over Time**

			GROW AMERICA
	FY 2014 Enacted	President's Budget	TOTAL (FY 15-18)
TRANSIT FORMULA GRANTS (TF)	\$8,595,000,000	\$13,914,400,000	\$57,036,400,000
Transit Oriented Development	10,000,000	10,234,449	42,500,791
Planning Programs	128,800,000	131,819,706	547,410,195
Urbanized Area Formula Grants	4,458,650,000	4,563,182,694	18,949,620,707
Enhanced Mobility of Seniors and Individuals with Disabilities	258,300,000	264,355,823	1,097,800,755
Formula Grants for Rural Areas	607,800,000	622,049,823	2,583,198,107
Bus Testing Facility	3,000,000	3,070,335	12,750,237
National Transit Institute / Public Transit Institute	5,000,000	5,117,225	21,250,396
National Transit Database	3,850,000	3,940,263	16,362,805
State of Good Repair Grants	2,165,900,000	5,719,000,000	23,216,000,000
Bus and Bus Facilities Grants	427,800,000	1,939,000,000	7,822,005,339
Growing States and High Density States Formula	525,900,000	538,229,684	2,235,116,626
Administrative Expenses 1/	105,933,000	114,400,000	492,400,000
CAPITAL INVESTMENT GRANTS (GF/TF) 2/	1,942,938,000	2,500,000,000	10,775,000,000
TRANSIT REASEARCH AND TRAINING (GF/TF)	48,000,000	60,000,000	251,000,000
Workforce Development	2,000,000	20,000,000	80,000,000
EMERGENCY RELIEF PROGRAM 3/ (TF)	0	25,000,000	25,000,000
FAST (TF)	NA	500,000,000	2,000,000,000
RAPID GROWTH AREA TRANSIT PROGRAM (TF)	NA	500,000,000	2,175,000,000
TOTAL	\$10,841,871,000	\$17,649,400,000	\$72,337,400,000



1/Administrative Expenses under Transit Formula Grants account in FY 2015. Was previously funded from General Fund. 2/ FY 2014 enacted level assumes using at least \$190 million of prior year balances to fully fund President's request of \$2.132 billion. 3/Represents balance of funds available after sequestration and transfers.

# Fixing and Accelerating Surface Transportation (FAST)

- \$500 million in competitively awarded grants to state and local governments with innovative approaches to solving transportation problems.
- Foster more effective, coordinated investments in regional transportation priorities.
- Modeled after Dept. of Education's "Race to the Top."
- Jointly administered with \$500 million requested annually by FHWA (\$1 billion annual total program).



## Rapid Growth Area Transit

- \$500 million competitive discretionary grant program would quickly establish bus rapid transit (BRT) service in areas with rapidly growing populations.
- Streamlined project evaluation criteria related to population and ridership growth and financial capacity to operate current and expanded service.
- Encourages multi-modal solutions to better integrate BRT with other existing, planned transit options.
- 50% local match to encourage early and sound local financial commitment.
- Up to 80% federal share by using FHWA funds as local match.



### **Local Hiring**

- The proposal supports local hiring as an effective way to help men and women obtain local jobs and job training on federally funded transportation projects.
- Opportunities targeted in areas with high unemployment.
- Ensures local workers are given preference to participate on local transportation construction projects.
- Creates ladders of economic opportunity in underserved areas.



#### **Bus and Bus Facilities**

- Current program funds construction, replacement and rehabilitation of buses and related facilities.
- Proposal increases funding by 354% from FY2014-FY2015, dramatically improving the ability to modernize the nation's bus fleets. (70% formula/30% discretionary)
- Transit agencies may also compete for discretionary resources for large capital bus projects.
- Addresses funding shortfall and technical deficiencies in bus programs under MAP-21.



# Enhanced Mobility of Seniors and Individuals with Disabilities

- Current program funds mobility programs for seniors and persons with disabilities.
- Grants could now be made directly to local government entities, removing the requirement to pass through a designated recipient first.
- The change would streamline the grant awards process, alleviate delays, and serve riders more efficiently.



## Rural Areas Program

- Current program provides capital, planning, and operating assistance for transit service implemented by states in rural areas.
- Proposal increases funding to tribes in recognition of serious need for additional transit service to low-income, rural residents.
- Each eligible recipient of tribal formula funds will receive a minimum of \$20,000 annually.



# Public Transportation Safety

- FTA continues to implement safety authority authorized by MAP-21. Proposed changes:
  - An opt-out provision from the State Safety Oversight program in states with fixed-guideway transit systems below a certain size or ridership level.
  - FTA may impose civil penalties for violations of safety regulations, and criminal penalties for willful violations.
  - The Secretary would gain emergency authority to issue orders to restrict or prohibit an unsafe condition or practice on transit systems.



# Workforce Development (Transit Research & Training)

- Current program supports innovative efforts to train a new generation of transportation workers.
- Proposal creates:
  - New Ladders of Opportunity program that expands support for transit-focused workforce development programs that give priority to minorities, women, individuals with disabilities, veterans, and other groups.
  - Public Transit Institute to deliver training courses to emerging transit workforce.
  - Authority would allow recipients under sections 5307, 5337,
     and 5339 to use a percentage of funds for these activities.

# **High-Performing MPOs**

- Current Metropolitan Planning Organization (MPO) framework does not emphasize or reward regionally coordinated investments and planning.
- Incentivizes MPOs in large urban areas to coordinate and increase their technical capacity to undertake a performance-based approach linking investments to improvements in safety, infrastructure, congestion, and other factors.



## State of Good Repair

- Current program provides two years of predictable, needs-based formula funds for transit's state-of-good-repair needs.
- Proposal significantly increases program funds by 164% percent from FY2014 to FY2015 to address an \$86 billion maintenance backlog that continues to grow.
- This level of investment is necessary to tackle the U.S. infrastructure deficit.



## **Buy America**

- Current program ensures that certain content and final assembly of bus and rail systems are domestically sourced—preserving and creating American manufacturing jobs.
- Proposal gradually increases the domestic content requirement for manufacturing rolling stock components and subcomponents to 100% by 2019.
- The change would strengthen domestic manufacturing and innovation.



# Paying for the GROW AMERICA Act

- The President proposes renaming the Highway Trust Fund to a new Transportation Trust Fund (TTF), which will fund highways, transit, rail, and TIGER projects.
- The TTF will provide a source of predictable funding for surface transportation at an appropriate level for the next four years.
- The TTF will be capitalized with revenues from progrowth tax reform will supplement the gas tax as a means of financing long-term critical investments in our nation's transportation infrastructure.



# America Must Address the Infrastructure Deficit

- The Highway Trust Fund will run out of money as early as this summer.
- Let your Congressional representatives know that America cannot afford to disinvest in its infrastructure—and deny future generations of the mobility we need to grow and compete.
- We need a multi-year reauthorization that will provide a reliable source of funding to put thousands to work rebuilding America.



