

Expanding America's Public Transportation Service

Public transportation is essential to moving people in both urban and rural areas and is a critical part of the nation's multimodal transportation system. Transit is essential to the economy. It connects workers to jobs and employers to labor markets. Public transportation also provides basic mobility options for the elderly, individuals with disabilities, and low-income individuals. Transit plays a significant role in state and national efforts to reduce traffic congestion, conserve fuel, improve air quality, reduce green house gas emissions, and support emergency preparedness.

To meet the growing need for public transportation two things must occur: Where transit service is already available, it needs to be expanded. Where it is not yet available, it will need to be provided. In order to meet these needs, there are several things AASHTO recommends:

Congress should increase funding for the transit program to \$93 billion over the six-year authorization period, and should establish policies which over time will enable transit ridership to double by 2030. Federal funding for rural transit should more than double over the next six years. Operating assistance eligibility should be extended to transit systems in urbanized areas of more than 200,000 in population which operate less than 100 buses during peak operation.

PROGRAM AND FUNDING PRINCIPLES

Maintain a separate Mass Transit Account (MTA) within the Highway Trust Fund with current program funding guarantees and preserve, at a minimum, the current 20 percent general fund contribution necessary to support the federal transit program. Preserve existing transferability between the Highway and Mass Transit Accounts. Preserve the 80 percent federal share for transit formula and capital investment programs.

transportation



STREAMLINE PROGRAM DELIVERY

Simplify the "New Starts" grant review and approval process. The broader grant approval process should be streamlined to speed project delivery and reduce cost for routine projects. Replacement of buses, rolling stock, facility components, and other routine transit related equipment should automatically be eligible for funding and not required to go through the grant approval process. A needs-based approach to the distribution of federal funds for transit should continue as well as for increases to the federal transit program to address unmet needs.

PROGRAM STRUCTURE

Consolidate Federal Transit Programs into Six Major Areas:

- **Operations and Access** to include Urbanized and Non-Urbanized Area Formula Programs, those for Indian Reservations, and those for Job Access and Reverse Commutes.
- **System Preservation and Renewal** to include the Fixed Guideway Modernization Program and a restructured Bus Program.
- **Congestion Relief and Metro Mobility** to include New Starts and Small Starts Discretionary Programs.
- **Enhancements/Quality of Life** to include programs for the Elderly, Individuals with Disabilities, the New Freedom program, and transit for the Parks and Public Lands.
- **Transit Research and Planning** to include Transit Cooperative Research Program, National Research

and Technology Program, University Transportation Centers Program, National Transit Database and Bus Testing Program.

■ **Administration**

The Federal Transit Administration should be retained to administer the transit program. However, the current federal grant approval process should be streamlined in order to speed project delivery and reduce costs for routine projects.

Planning

Planning for public transportation alternatives should be within a multimodal regional and statewide transportation planning process that includes consideration of sustainable outcomes in plans, programs, and projects.

Tax Clarifications

Employer provided pre-tax qualified transportation fringe benefits should be equal for both public transpor-

tation and parking. These benefits should continue to be indexed at the same rate.

Extend and make permanent the current per gasoline gallon equivalent (gge) tax credit for alternative fuel consumption for all public transportation vehicles, including support vehicles.

Administration

Amend the FTA Charter Rule to allow greater flexibility for public transportation for special events/activities.

Restructure the State Rail Oversight Program so that states may voluntarily opt to have the FTA provide direct oversight of the public transportation systems that operate the applicable rail transit service. This would be consistent with the current direct funding relationship FTA has with these same grantees.

