

**BUDGET
ESTIMATES
FISCAL YEAR 2011**

**FEDERAL TRANSIT
ADMINISTRATION**

SUBMITTED FOR USE OF
THE COMMITTEES ON APPROPRIATIONS

**U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**FISCAL YEAR 2011
BUDGET ESTIMATES**

SUBMISSION TO CONGRESS

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

FY 2011 BUDGET SUBMISSION TO THE CONGRESS

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**FEDERAL TRANSIT ADMINISTRATION
FY 2011 BUDGET SUBMISSION**

GENERAL STATEMENT

The Federal Transit Administration (FTA) budget for Fiscal Year (FY) 2011 is \$10.8 billion, an increase of \$67 million above the FY 2010 enacted level. This budget advances the Administration's domestic and fiscal priorities and increases the impact of government spending by leveraging place-conscious planning and programming. FTA reformats and restructures its programs and accounts in this budget to better reflect the Administration's commitment to improve our Nation's public transportation system. This includes bringing bus and rail transit infrastructure to a state of good repair to provide better more efficient, and reliable public transportation. In addition, this budget supports the Secretary's rail transit safety priorities and his initiative to promote livable and sustainable neighborhoods, cities and towns across the country.

The use of public transportation nationwide is expected to grow by more than twenty-five percent over the next decade, but growth could be even higher depending on Federal, state and local efforts to reduce greenhouse gas emissions. In addition, policies that promote livable and sustainable communities rely on efficient and effective public transportation to be successful. Whether it's improvements to existing bus or rail systems to maintain a state of good repair, or building new transit systems in high-growth areas of the country, funding for public transportation at all levels of government must grow if our goal is livable and sustainable communities.

To meet the Administration's commitment to improve public transportation, FTA's workforce must include more community planners, environmental specialists, engineers and financial analysts to ensure projects are designed and implemented in the most efficient and cost-effective manner. Additional staff is also needed to ensure that FTA stewardship of Federal transit funds meets this Administration's high standards, particularly as they relate to eliminating and preventing waste, fraud, and abuse.

Department Priorities for Transportation Safety

The Secretary's number one priority is Transportation Safety. There is considerable concern nationwide regarding rail transit safety. Most recently rail transit systems in Boston, San Francisco and Washington, DC, have experienced train-to-train collisions killing 9 Washington, DC metro riders, injuring 130 others, and resulting in millions of dollars in property damage.

Secretary LaHood has reviewed the existing legal authorities, and believes that the status quo, with its two distinct systems of uneven rail safety oversight, is in need of reform. Secretary LaHood has directed the Deputy Secretary to take a fresh look at how the Federal government provides oversight for transit safety. To that end, the Deputy Secretary called together a working group to identify and consider alternative approaches to effectively address what we consider a gap in Federal safety oversight. The current State Safety

Oversight (SSO) structure (with a few exceptions) lacks sufficient authority to provide for a uniform approach to transit system safety. The working group, in concert the Secretary's Safety Council and other safety officials and experts within the Department developed options for transit safety reforms.

In 2011, the FTA will fund activities that resulted from this overall review and are embodied in the Administration's rail transit safety legislation, the "Public Transportation Safety Program Act of 2009." The Administration's legislative proposal was transmitted to Congress on December 7, 2009 and would strengthen and expand federal regulatory oversight of rail-transit safety. Funds under this heading will allow state rail oversight functions to be strengthened to implement the new authority. In addition, Federal and state teams will be able to conduct investigations and audits identifying unsafe vehicles, equipment, control systems and operating practices.

The Administration looks forward to a prompt enactment of its safety legislation and requests in this budget \$24.1 million for a new Rail Transit Safety Oversight Program and \$5.5 million to fund 30 FTE in FTA's new and expanded Office of Safety. The Rail Transit Safety Oversight Program will fund on-site spot inspections and audits conducted by Federal and/or State technical specialists and inspectors with backgrounds in train control, track, operations and other disciplines.

This budget request also includes \$150 million authorized in the Federal Rail Safety Improvements Act of 2008, for Washington Metropolitan Area Transit Authority (WMATA) for capital and preventive maintenance projects. The Administration and Congress agree that funds should first address immediate safety shortfalls identified by the National Transportation Safety Board (NTSB). The Secretary will use his grant approval authority to ensure that WMATA uses these funds first address the most critical safety needs.

In addition, FTA's FY 2011 Budget requests an expanded program for "Bus and Rail State of Good Repair." This \$2.9 billion program focuses on rail transit assets that are in marginal or poor condition. An April 2009 FTA report to Congress identified a \$50 billion backlog of rail assets at the seven largest and oldest rail systems. FTA is conducting a follow-up study that will include more rail transit and bus properties than the April study. These studies show that more Federal, State and local investment is needed to ensure that transit infrastructure achieves a state of good repair and is a high-priority for the upcoming surface transportation reauthorization. Strategic investment focused on replacing and rehabilitating aging transit infrastructure will help bring our Nation's rail systems into "good repair." Newer, more reliable track, signal systems, and vehicles will ensure safe and dependable rail transit operations serving the American public.

Department Priorities for Livable and Sustainable Communities

The Secretary has partnered with the Secretary of Housing and Urban Development and the Administrator of the Environmental Protection Agency to form an interagency Partnership for Sustainable Communities. This partnership will help improve access to affordable housing, provide more transportation options, and lower transportation costs while protecting

the environment in communities nationwide. Six guiding “livability principles” will be used to coordinate federal transportation, environment, and housing investments at each agency. The principles include:

1. Provide more transportation choices. Develop safe, reliable and economical transportation choices to decrease household transportation costs, reduce our nation’s dependence on foreign oil, improve air quality, reduce greenhouse gas emissions and promote public health.

To provide more transportation choices, the budget includes \$1.8 billion for FTA’s Capital Investment Grants -- New Starts and Small Starts. The New Starts and Small Starts programs are the Federal Government’s primary financial resource for supporting locally planned, implemented, and operated major transit capital projects. These programs have helped make possible dozens of new or extended transit fixed guideway systems across the country – heavy rail, light rail, commuter rail, bus rapid transit, and ferries. These public transportation investments have improved the mobility of millions of Americans, provided alternatives to congested roadways, and fostered the development of more viable, safe, and livable communities.

Transportation has a large role to play in reducing greenhouse gas emissions as it accounts for 28 percent of the United State’s greenhouse gas emissions—second only to emissions from utilities. Thus, Federal investments made today in public transportation infrastructure will have lasting impacts on reducing greenhouse gas emissions and mitigating transportation’s impact on climate change.

Public transportation offers a low-emissions alternative to driving and facilitates compact development, further reducing travel distances and a community’s carbon footprint. This budget consolidates existing research programs under a new “Greenhouse Gas and Energy Reduction” account funded at \$53 million to help deploy and demonstrate practical and common-sense transportation solutions to reduce greenhouse gas emissions and promote public health.

2. Promote equitable, affordable housing. Expand location- and energy-efficient housing choices for people of all ages, incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation.

The average American household spends approximately 18 percent of its annual income on transportation – and as much as a third by low-income families. For low-income families, the expense of transportation poses a particular burden, hindering home ownership and straining already tight family budgets. In some metropolitan areas, households spend more on transportation than housing, and transportation costs continue to rise.

The nation is seeing a significant shift in consumer travel behavior and consumer choices in relation to the automobile and public transportation. Demand for transit is rising with over 10.3 billion trips taken last year alone. In addition, there is growing evidence that consumers are seeking more affordable housing closer to urban centers with good access to transit. The

budget continues work underway between the Federal Transit Administration and the Department of Housing and Urban Development to better coordinate affordable housing and transit through joint planning, demonstration projects, and research on best practices of transit oriented development and affordable housing.

3. Enhance economic competitiveness. Improve economic competitiveness through reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers as well as expanded business access to markets. Transit systems across the country play an important role in enhancing the nation's economic competitiveness by carrying tens of millions of riders each day to jobs, employment centers, schools and colleges. Over 10.3 billion trips were taken on transit last year – the highest ever.

This budget includes \$4.6 billion by formula for capital improvements to transit systems in urbanized areas and \$545.1 million for capital and in some instances operating assistance in small urban and rural areas. These funds help provide reliable, dependable, and safe public transportation. A significant amount of these funds around the country are invested in the basic needs of maintaining and sustaining the \$607.2 billion in transit capital assets already on the ground, though the needs are far greater in some areas. In smaller urban areas and rural areas, with less than 200,000 in population, these funds also provide much needed operating assistance to actually get transit service on the road, day to day.

In addition, the budget includes \$166.6 million for FTA's Job Access program to provide low-income workers and students with transportation services to jobs, employment centers, and educational institutions. A recent study of the economic benefits of employment related transportation services concluded that transportation funded through the Job Access and Reverse Commute program provided access to approximately 43.4 million jobs, including 21.2 million low-wage jobs.

FTA's budget promotes the export of U.S. transit goods and services and will inform the U.S. transit community about technology and innovations found abroad that could be used to improve domestic transit systems. International trade and travel have become an increasingly important part of the Department's strategic thinking. This principle reinforces the need to maintain the United States' position as the global leader in transportation by promoting safe, secure, accessible, environmentally friendly, and efficient global transportation systems. The Department's international activities aim to promote the economic well-being of U.S. businesses and of its citizens abroad.

4. Support existing communities. Target federal funding toward existing communities – through such strategies as transit-oriented, mixed-use development and land recycling – to increase community revitalization, improve the efficiency of public works investments, and safeguard rural landscapes.

FTA has long fostered and promoted livability through various programs and activities. Public transportation enhances the development of communities and the livability of individuals within those communities by providing effective and reliable transportation

alternatives that increase access to jobs, health and social services, entertainment, educational opportunities, and other activities of daily life, while also improving mobility within and among these communities. The budget provides \$306.9 million for grants to further livable and sustainable communities and link communities to affordable housing, increase pedestrian access and improve connections between where people live, work, shop, socialize and receive health care services.

5. Coordinate policies and leverage investment. Align federal policies and funding to remove barriers to collaboration, leverage funding and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.

A recent FTA report to Congress estimates that approximately \$50 billion in rail transit assets at our nation's seven largest and oldest rail transit systems are in marginal or poor condition. A follow-up study will look at more rail transit systems and systems that provide only bus service. These studies show that Federal, State and local investment is needed to ensure that transit infrastructure achieves a state of good repair and is a high-priority for the upcoming surface transportation reauthorization. Also, achieving a "State of Good Repair" provides safer transit for the riding public.

To address this major challenge, the budget merges and expands the Bus and Bus Facilities and the Fixed Guideway Modernization programs and provides \$2.9 billion for a new Bus and Rail State of Good Repair fund. By focusing on the backlog with increased federal funding our aging transit infrastructure can begin to be brought to a "State of Good Repair." Without reinvestment and rehabilitation, our public transportation infrastructure will not be able to support the needs of a growing economy. It is critical and timely that we address our aging transit infrastructure through good and sustained investments in projects that have real benefits. We must devote resources to not only preserve and improve our existing assets, but also to increase the capacity of our networks to efficiently move passengers, using new construction where needed, innovative technology, and operational improvements.

6. Value communities and neighborhoods. Enhance the unique characteristics of all communities by investing in healthy, safe and walkable neighborhoods – rural, urban or suburban.

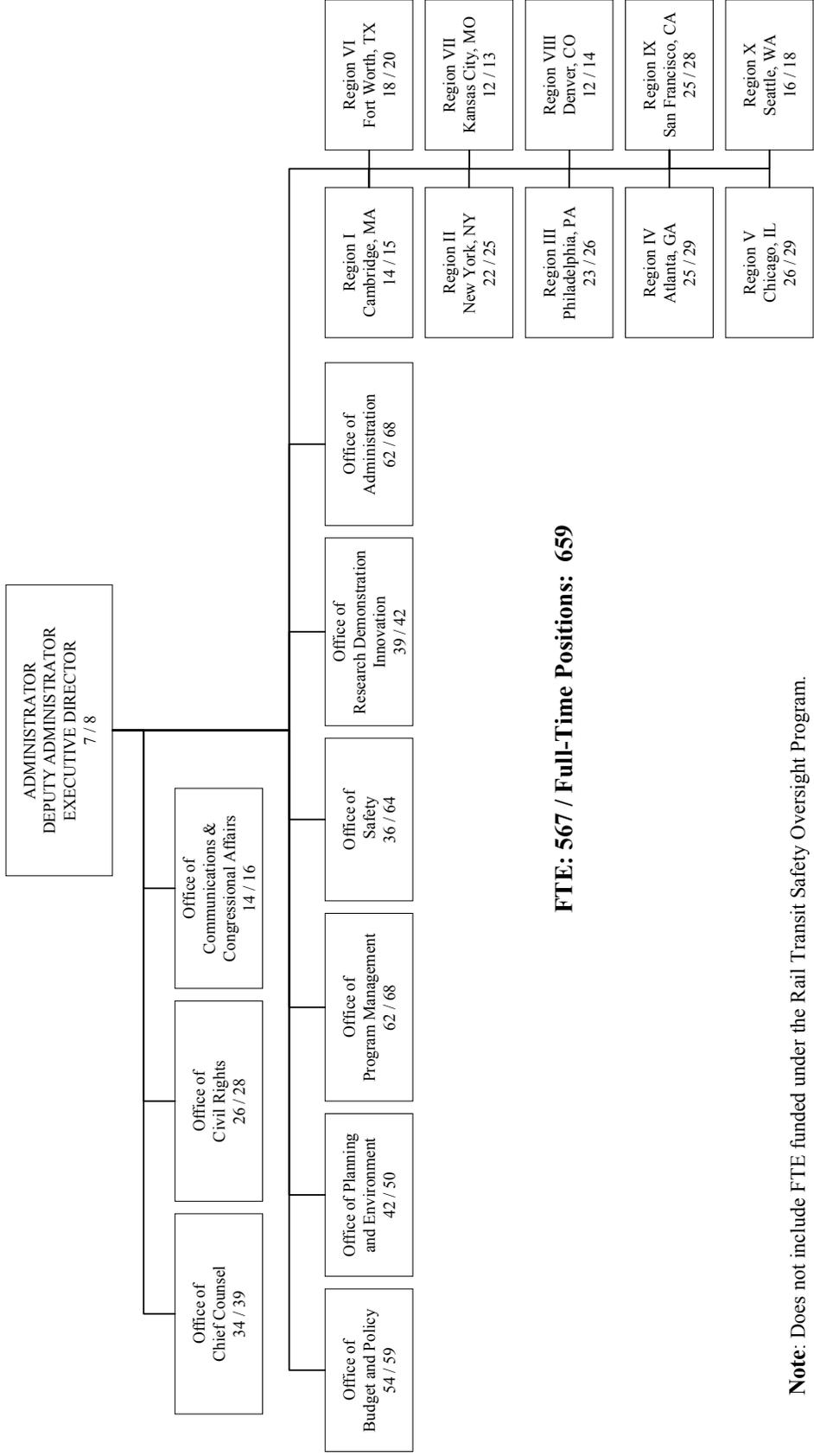
FTA will continue to further the Administration's sustainability and livability initiatives through more integrated regional planning to guide state, metropolitan and local decisions and investment to link land use, transportation and housing policy. FTA is focusing on how grantees are using Federal transportation funds, leveraging these resources by partnering with recipients of other Federal funds, and implementing transit friendly policies and practices that achieve livability outcomes. An objective is to create livable communities near public transit, and include activities such as; station area planning, streetscape improvements, pedestrian and bicycle improvements, intermodal facilities, land preservation for affordable housing, and community service facilities.

The record demand for public transportation suggests that Americans want more and better public transportation alternatives, and this budget provides the resources to help meet the demand for more transit. This budget supports the Administration's domestic and fiscal priorities including the advancement of affordable and flexible transportation choices. It supports the Secretary's number one priority -- transportation safety. It also supports the Secretary's initiative to create livable communities that will result in a better quality of life for all Americans through a more efficient and accessible transportation network that serves the needs of individual communities. Fostering the concept of livability in transportation projects and programs will help America's neighborhoods become safer, healthier and more vibrant." This budget will position transit to achieve tremendous success in FY 2011 and beyond.

**FEDERAL TRANSIT
ADMINISTRATION**

FY 2011

FTE and Full-Time Positions



FTE: 567 / Full-Time Positions: 659

Note: Does not include FTE funded under the Rail Transit Safety Oversight Program.

EXHIBIT II-1
COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY
FEDERAL TRANSIT ADMINISTRATION
Budget Authority
(\$000)

<u>ACCOUNTS</u>	<u>FY 2009 ENACTED</u>	<u>FY 2010 ENACTED</u>	<u>FY 2011 REQUEST</u>
1. Livability Communities (TF)			306,905
2. Greenhouse Gas and Energy Reduction (TF)			52,743
3. Transit Formula Grants (TF) (renamed)	9,245,953 2/3/	8,361,000	8,001,352
4. Capital Investment Grants (GF)	2,557,250 4/5/	1,998,000 6/	1,820,112 7/
5. Washington Metropolitan Area Transit Authority (GF)		150,000	150,000
6. Grants for Energy Efficiency and Greenhouse Gas Reduction (GF)		75,000	
7. Rail Transit Safety Oversight Program (GF)			24,139
8. Technical Assistance and Workforce Development (GF)			28,647
9. National Research and Technology (GF)(renamed) 1/	67,100	65,770	29,829
10. Formula Grants (GF)	855		
11. Administrative Expenses (GF)	94,413	98,911	113,559
12. Transit Capital Assistance Grants, Recovery Act (GF)	7,188,391		
13. Fixed Guideway Infrastructure Investment, Recovery Act (GF)	750,000		
TOTALS:	19,903,962	10,748,681	10,527,286
[Mandatory]	9,245,953	8,361,000	8,001,352
[Discretionary]	10,658,009	2,387,681	2,525,934

1/ Research and University Research Centers/National Research and Technology includes the \$100,000 in Indefinite Appropriation Authority in FY 2009, FY 2010 and FY 2011 for the International Mass Transportation Program.

2/ FY 2009 reflects enacted obligation limitation and rescission of \$100,000,000 pursuant to Pub. Law 111-8 Div I, Title I, Section 167.

3/ Includes net \$985 million flex funds transferred from the Federal Highway Administration (FHWA).

4/ Pursuant to Omnibus Appropriations Act, 2009 (Pub Law 111-8) Division I, \$2,000,000 in funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General, 69-0130.

5/ Includes \$750 million from the American Recovery and Reinvestment Act, 2009.

6/ Pursuant to Consolidated Appropriations Act, 2010 (Pub Law 111-117) Division A, Title I, \$2,000,000 in funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General, 69-0130.

7/ Reflects \$2,000,000 in funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General, 69-0130.

EXHIBIT II-2
FY 2011 BUDGET REQUEST BY APPROPRIATION ACCOUNT
FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

<u>ACCOUNTS</u>	<u>FY 2009 ENACTED</u>	<u>FY 2010 ENACTED</u>	<u>FY 2011 REQUEST</u>
1. Livability Communities (TF)			306,905
2. Greenhouse Gas & Energy Reduction (TF)			52,743
3. Transit Formula Grants (TF) (renamed)	9,245,953 2/3/	8,343,171	8,271,700
4. Capital Investment Grants (GF)	2,557,250 4/5/	1,998,000 6/	1,820,112 7/
5. Washington Metropolitan Area Transit Authority (GF)		150,000	150,000
6. Grants for Energy Efficiency and Greenhouse Gas Reduction (GF)		75,000	
7. Rail Transit Safety Oversight Program (GF)			24,139
8. Technical Assistance and Workforce Development (GF)			28,647
9. National Research and Technology 1/ (GF) (renamed)	67,000	65,670	29,729
10. Formula Grants (GF)	855		
11. Administrative Expenses (GF)	94,413	98,911	113,559
12. Transit Capital Assistance Grants, Recovery Act (GF)	7,188,391		
13. Fixed Guideway Infrastructure Investment, Recovery Act (GF)	750,000		
TOTALS:	<u>19,903,862</u>	<u>10,730,752</u>	<u>10,797,534</u>

1/ Research and University Research Centers/National Research and Technology does not include the \$100,000 in Indefinite Appropriation Authority in FY 2009, FY 2010 and FY 2011 for the International Mass Transportation Program.

2/ FY 2009 reflects enacted obligation limitation and rescission of \$100,000,000 pursuant to Pub. Law 111-8 Div I, Title I, Section

3/ Includes net \$985 million flex funds transferred from the Federal Highway Administration (FHWA).

4/ Pursuant to Omnibus Appropriations Act, 2009 (Pub Law 111-8) Division I, \$2,000,000 in funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General, 69-0130.

5/ Includes \$750 million from the American Recovery and Reinvestment Act, 2009.

6/ Pursuant to Consolidated Appropriations Act, 2010 (Pub Law 111-117) Division A, Title I, \$2,000,000 in funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General, 69-0130.

7/ Reflects \$2,000,000 in funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General,

NOTE: Some totals may not add due to rounding.

EXHIBIT H-4
FY 2011 BUDGET AUTHORITY
FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

	FY 2009	FY 2010	FY 2011
ACCOUNTS	ENACTED	ENACTED	REQUEST
1. Livable Communities (TF)	---	---	<u>306,905</u>
Job Access and Reverse Commute Formula Program (Section 5316)			166,620
Alternatives Analysis Program (Section 5339)			25,322
Planning Programs (Section 5305)			114,963
Livable Communities Deployment and Innovative Technology			
2. Greenhouse Gas & Energy Reduction (TF)	---	---	<u>52,743</u>
Clean Fuels and Environmental Research			14,743
Greenhouse Gas and Energy Reduction Deployment and Innovative Technology			38,000
3. Transit Formula Grants (TF) (renamed)	<u>9,245,953</u> 2/3/	<u>8,343,171</u>	<u>8,271,700</u>
Urbanized Area Formula Grants (Section 5307)	5,379,581	4,542,690	4,610,437
Fixed Guideway Modernization (Section 5309) renamed Bus and Rail State of Good Repair	1,666,500	1,663,033	2,853,716
Bus and Bus Facility Grants (Section 5309)	910,409	981,953	
Over-the-Road Bus Accessibility Program (Section 3038 TEA-21)	8,800	8,782	
Clean Fuels Grant Program (Section 5308)	51,500	51,393	
Planning Programs (Section 5305)	158,104	113,264	
Formula Grants for Seniors and Persons with Disabilities	198,545	133,222	230,040
Formula Grants for Other Than Urbanized Areas (Section 5311)	560,115	537,084	545,126
Job Access and Reverse Commute Formula Program (Section 5316)	164,500	164,158	
New Freedom Program (Section 5317)	92,500	92,308	
National Transit Database (Section 5335)	3,500	3,493	5,000
Alternatives Analysis Program (Section 5339)	25,000	24,948	
Paul S. Sarbanes Transit in Parks Program (Section 5320)	26,900	26,844	27,381
4. Capital Investment Grants (GF)	<u>2,557,250</u>	<u>1,998,000</u>	<u>1,820,112</u>
Capital Investment Grants -- New Starts/Small Starts	1,807,250 4/	1,998,000 5/	1,820,112 6/
Capital Investment Grants, Recovery Act	750,000		
5. Washington Metropolitan Area Transit Authority (GF)	---	<u>150,000</u>	<u>150,000</u>
6. Grants for Energy Efficiency and Greenhouse Gas Reduction (GF)	---	<u>75,000</u>	---
7. Rail Transit Safety Oversight Program (GF)			<u>24,139</u>
8. Technical Assistance and Workforce Development (GF)	---	---	<u>28,647</u>
National Transit Institute (Section 5315)			4,184
Technical Assistance Activities			24,463
9. National Research and Technology (renamed) (GF) 2/	<u>67,000</u>	<u>65,670</u>	<u>29,729</u>
National Research Program (Section 5314)	45,700	44,370	20,000
Transit Cooperative Research (Section 5313)	10,000	10,000	9,729
National Transit Institute (Section 5315)	4,300	4,300	
University Centers Program (Section 5506)	7,000	7,000	
10. Formula Grants (GF)	855	---	---
11. Administrative Expenses (GF)	94,413	98,911	113,559
12. Transit Capital Assistance Grants, Recovery Act	7,188,391 7/	---	---
13. Fixed Guideway Infrastructure Investment, Recovery Act	750,000	---	---
TOTALS:	<u>19,903,862</u>	<u>10,730,752</u>	<u>10,797,534</u>
Trust Fund	9,245,953	8,343,171	8,631,348
General Fund	10,657,909	2,387,581	2,166,186

1/ Research and University Research Centers does not include the \$100,000 in Indefinite Appropriation Authority in FY 2009, FY 2010 and FY 2011 for the International Mass Transportation Program.

2/ FY 2009 reflects enacted obligation limitation and rescission of \$100,000,000 pursuant to Pub. Law 111-8 Div I, Title I, Section 167.

3/ Includes net \$985 million flex funds transfer from the Federal Highway Administration (FHWA).

4/ Pursuant to Omnibus Appropriations Act, 2009 (Pub Law 111-8) Division I, \$2,000,000 in funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General, 69-0130.

5/ Pursuant to Consolidated Appropriations Act, 2010 (Pub Law 111-117) Division A, Title I, \$2,000,000 in funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General, 69-0130

6/ Reflects \$2,000,000 in funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General, 69-0130

7/ Includes \$288 million in ARRA funds transferred from FHWA.

**EXHIBIT II-5
FY 2011 OUTLAYS
FEDERAL TRANSIT ADMINISTRATION
(\$000)**

<u>APPROPRIATION TITLE</u>	<u>FY 2009 ENACTED</u>	<u>FY 2010 ENACTED</u>	<u>FY 2011 REQUEST</u>
Livable Communities (TF)	---	---	46,036
Greenhouse Gas and Energy Reduction (TF)	---	---	7,911
Transit Formula Grants (TF)	7,264,278	9,251,903	8,844,515
Capital Investment Grants	2,175,839	2,337,261	2,266,476
Capital Investment Grants, Recovery Act	306,960	280,678	158,926
Washington Metropolitan Area Transit Authority	32	33,105	78,157
Grants for Energy Efficiency and Greenhouse Gas Reductio	---	---	11,250
Rail Transit Safety Oversight Program	---	---	15,690
Technical Assistance & Workforce Development	---	---	3,621
National Research & Technology (renamed)	76,555	90,333	89,814
Administrative Expenses	90,843	101,048	112,094
Transit Capital Assitance, Recovery Act	570,244	2,458,823	1,883,751
Fixed Guideway Infrastructure Investment, Recovery Ac	76,452	251,565	191,565
University Transportation Research	465	159	161
Job Access and Reverse Commute	33,177	17,310	11,335
Research, Training and Human Resources	10	291	234
Interstate Transfer Grants - Transit	316	1,313	693
Formula Grants	739,599	634,946	372,826
Discretionary Grants (TF)	16,424	16,538	16,538
TOTAL OUTLAYS:	11,351,194	15,475,273	14,111,593
LIQUIDATING CASH APPROPRIATIONS:			
Transit Formula Grants	8,670,000	9,400,000	9,200,000
Livable Communities			52,000
Greenhouse Gas and Energy Reduction			12,000

EXHIBIT II-6

FEDERAL TRANSIT ADMINISTRATION
 SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE
 Appropriations, Obligation Limitations, and Exempt Obligations
 (\$000)

ADMINISTRATIVE EXPENSES

Baseline Changes

	2010 Requested	2010 PC&B By Program	2010 # FTE Per Program	2010 Contracts Expenses	2010 Pay Raises	2011 Pay Raises	GSA Rent	WCF Increase/ Decrease	Inflation/ Deflation	FY 2011 Adjusted Base	Program Increases/ Decreases	2011 PC&B Program Increase/ Decrease	2011 # FTE Per Program Increase	2011 Contract Expense Program Increases	FY 2011 OMB Request
OPERATIONS:															
PERSONNEL RESOURCES															
Direct FTE	517									517					537
FINANCIAL RESOURCES															
Personnel Compensation & Benefits	\$69,118	\$69,118	\$134	\$418	\$1,407			33	\$70,977	\$2,804	\$2,804	\$137		\$73,781	
Other PC&B - PCS	60							0	60	10				70	
Travel	1,809							9	1,818	382				2,200	
Transportation of Things	32							1	33	45				78	
Rent (GSA and Other)	6,823						732	34	7,589	111				7,700	
Communications & Utilities	72							1	73	14				87	
Printing	232							2	234	30				264	
Other Services	6,770							34	6,804	1,341				8,145	
Other Services - WCF	2,966							15	3,433	0				3,433	
Supplies & Materials	392							2	394	37				431	
Equipment	56							0	56	4				60	
Subtotal	\$88,330			\$418	\$1,407	\$732	\$452	\$131	\$91,471	\$4,778				\$96,249	
PROGRAMS:															
INFORMATION TECHNOLOGY															
INVESTMENTS															
Communications & Utilities	571							3	574	51				625	
Other Services	5,475							27	5,502	730				6,232	
Other Services - WCF	4,181							21	4,421	0				4,421	
Equipment	354							2	356	168				524	
Subtotal Information Technology	10,581			0	0	0	219	53	10,853	949				11,802	
SUBTOTAL EXISTING PROGRAM	\$98,911			\$418	\$1,407	\$732	\$671	\$184	\$102,324	\$5,727				\$108,051	
Direct FTE										30				30	
Office of Safety	0								0	5,508				5,508	
TOTAL	\$98,911			\$418	\$1,407	\$732	\$671	\$184	\$102,324	\$11,235	\$0	\$0	\$0	\$113,559	

EXHIBIT II-7

WORKING CAPITAL FUND
FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, Exempt Obligations and Reimbursable Obligations
(\$000)

	<u>FY 2010 ENACTED</u>	<u>FY 2011 REQUEST</u>	<u>CHANGE</u>
<u>DIRECT:</u>			
Administrative Expenses	<u>\$7,147,392</u>	<u>\$7,854,316</u>	<u>\$706,924</u>
SUBTOTAL	7,147,392	7,854,316	706,924
<u>REIMBURSABLE:</u>			
Administrative Expenses	<u>0</u>	<u>0</u>	<u>0</u>
SUBTOTAL	0	0	0
TOTAL WCF	\$7,147,392	\$7,854,316	\$706,924

EXHIBIT II-8

FEDERAL TRANSIT ADMINISTRATION
PERSONNEL RESOURCE - SUMMARY
TOTAL FULL-TIME EQUIVALENTS

	<u>FY 2009 ACTUAL</u>	<u>FY 2010 ENACTED</u>	<u>FY 2011 REQUEST</u>
<u>DIRECT:</u>			
Administrative Expenses	512	517	537
Administrative Expenses - Safety Office, and related FTE	0	0	30
SUBTOTAL FTE's	<u>512</u>	<u>517</u>	<u>567</u>
Capital Investment Grants	6	9	9
Rail Transit Safety Oversight Program 1/	0	0	100
Transit Capital Assistance, Recovery Act	5	37	40
TOTAL FTE's	<u>523</u>	<u>563</u>	<u>716</u>

1/ Includes a combination of Federal and State Inspectors

EXHIBIT II-9

**FEDERAL TRANSIT ADMINISTRATION
RESOURCE SUMMARY - STAFFING
FULL-TIME PERMANENT POSITIONS**

	<u>FY 2009 ACTUAL</u>	<u>FY 2010 ENACTED</u>	<u>FY 2011 REQUEST</u>
<u>DIRECT:</u>			
Administrative Expenses	548	559	599
Administrative Expenses - Safety Office, and related FTP	0	0	60
SUBTOTAL FTP's	<u>548</u>	<u>559</u>	<u>659</u>
Capital Investment Grants	10	10	10
Rail Transit Safety Oversight Program 1/	0	0	200
Transit Capital Assistance, Recovery Act	10	37	40
TOTAL FTP's	<u>568</u>	<u>606</u>	<u>909</u>

1/ Includes a combination of up to 200 Federal and State Inspectors

ADMINISTRATIVE PROVISIONS - FEDERAL TRANSIT ADMINISTRATION

Sec. 160. The limitations on obligations for the programs of the Federal Transit Administration shall not apply to any authority under 49 U.S.C. 5338, previously made available for obligation, or to any other authority previously made available for obligation.

Sec. 161. Notwithstanding any other provision of law, funds appropriated or limited by this Act under ``Federal Transit Administration, Capital Investment Grants" and for bus and bus facilities under ``Federal Transit Administration, Formula and Bus Grants" for projects specified in this Act or identified in reports accompanying this Act not obligated by September 30, [2012]2013, and other recoveries, shall be [directed to projects eligible to use the funds for the purposes for which they were originally provided]made available for other projects under 49 U.S.C. 5309.

Sec. 162. Notwithstanding any other provision of law, any funds appropriated before October 1, [2009]2010, under any section of chapter 53 of title 49, United States Code, that remain available for expenditure, may be transferred to and administered under the most recent appropriation heading for any such section.

[Sec. 163. Notwithstanding any other provision of law, unobligated funds made available for new fixed guideway system projects under the heading ``Federal Transit Administration, Capital investment grants" in any appropriations Act prior to this Act may be used during this fiscal year to satisfy expenses incurred for such projects.]

Sec. [164]163. During fiscal year [2010]2011, each Federal Transit Administration grant for a project that involves the acquisition or rehabilitation of a bus to be used in public transportation shall be funded for 90 percent of the net capital costs of a biodiesel bus or a factory-installed or retrofitted hybrid electric propulsion system and any equipment related to such a system: *Provided*, That the Secretary shall have the discretion to determine, through practicable administrative procedures, the costs attributable to the system and related-equipment.

[Sec. 165. Notwithstanding any other provision of law, unobligated funds or recoveries under section 5309 of title 49, United States Code, that are available to the Secretary of Transportation for reallocation shall be directed to projects eligible to use the funds for the purposes for which they were originally provided.]

[Sec. 166. (a) In the explanatory statement referenced in section 186 of title I of division K of Public Law 110-161 (121 Stat. 2406), the item relating to ``Broward County Southwest Transit Facility" in the table of projects under the heading ``Bus and Bus Facilities" is deemed to be amended by striking ``Southwest" and inserting ``Ravenswood".

(b) The explanatory statement referenced in section 186 of title I of division I of Public Law 111-8 for ``Alternatives analysis" under ``Federal Transit Administration-Formula and Bus Grants" is deemed to be amended by striking ``Hudson-Bergen Light Rail Extension Route 440, North Bergen, NJ" and inserting ``Hudson-Bergen Light Rail Extension Route 440, Jersey City, NJ".

(c) Funds made available for the ``Phoenix/Regional Heavy Maintenance Facility, AZ", ``Dial-a-Ride facility, Phoenix, AZ" and the ``Phoenix Regional Heavy Bus

Maintenance Facility, Arizona" through the Department of Transportation Appropriations Acts for Fiscal Years 2004, 2005 and 2008 that remain unobligated or unexpended shall be made available to the East Baseline Park-and-Ride Facility in Phoenix, Arizona.]

[Sec. 167. Funds made available for Alaska or Hawaii ferry boats or ferry terminal facilities pursuant to 49 U.S.C. 5309(m)(2)(B) may be used to construct new vessels and facilities, or to improve existing vessels and facilities, including both the passenger and vehicle-related elements of such vessels and facilities, and for repair facilities: *Provided*, That not more than \$4,000,000 of the funds made available pursuant to 49 U.S.C. 5309(m)(2)(B) may be used by the City and County of Honolulu to operate a passenger ferry boat service demonstration project to test the viability of different intra-island ferry boat routes and technologies.]

[Sec. 168. In determining the local share of the cost of the project authorized to be carried out under section 3043(c)(70) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109-59; 119 Stat. 1644) for purposes of the rating process for New Starts projects, the Secretary shall consider any portion of the corridor advanced entirely with non-Federal funds.]

[Sec. 169. The Secretary of Transportation shall provide recommendations to Congress, including legislative proposals, on how to strengthen its role in regulating the safety of transit agencies operating heavy rail on fixed guideway: *Provided*, That the Secretary shall include actions the Department of Transportation will take and what additional legislative authorities it may need in order to fully implement recommendations of the National Transportation Safety Board directed at the Federal Transit Administration, including but not limited to recommendations related to crashworthiness, emergency access and egress, event recorders, and hours of service: *Provided further*, That the Secretary shall transmit to the House and Senate Committees on Appropriations, the House Committee on Transportation and Infrastructure, and the Senate Committee on Banking, Housing, and Urban Affairs a report outlining these recommendations and a plan for their implementation by the Department of Transportation no later than 45 days after enactment of this Act.]

[Sec. 170. Notwithstanding any other provision of law, the Secretary of Transportation shall not reallocate any funding made available for items 523, 267, and 131 of section 3044 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109-59).]

Sec. [171]164. Notwithstanding any other provision of law, for fiscal year [2010]2011, the total estimated amount of future obligations of the Government and contingent commitments to incur obligations covered by all outstanding full funding grant agreements entered into on or before September 30, 2009, and all outstanding letters of intent and early systems work agreements under subsection 5309(g) of Title 49, United States Code, for major new fixed guideway capital projects may be not more than the sum of the amount authorized under subsections 5338(a)(3)(iv) and 5338(c) of such title for such projects and an amount equivalent to the last 3 fiscal years of funding allocated under subsections 5309(m)(1)(A) and (m)(2)(A)(ii) of such title, for such projects, less an amount the Secretary reasonably estimates is necessary for grants under subsection 5309(b)(1) of such title for those of such projects that are not covered by a letter or agreement: *Provided*, That the Secretary may enter into full funding grant agreements under subsection 5309(g)(2) of such title for major new fixed guideway

capital projects that contain contingent commitments to incur obligations in such amounts as the Secretary determines are appropriate.

[Sec. 172. None of the funds provided or limited under this Act may be used to enforce regulations related to charter bus service under part 604 of title 49, Code of Federal Regulations, for any transit agency who during fiscal year 2008 was both initially granted a 60-day period to come into compliance with part 604, and then was subsequently granted an exception from said part.]

[Sec. 173. Hereafter, for interstate multi-modal projects which are in Interstate highway corridors, the Secretary shall base the rating under section 5309(d) of title 49, United States Code, of the non-New Starts share of the public transportation element of the project on the percentage of non-New Starts funds in the unified finance plan for the multi-modal project: Provided, That the Secretary shall base the accounting of local matching funds on the total amount of all local funds incorporated in the unified finance plan for the multi-modal project for the purposes of funding under chapter 53 of title 49, United States Code and title 23, United States Code: Provided further, That the Secretary shall evaluate the justification for the project under section 5309(d) of title 49, United States Code, including cost effectiveness, on the public transportation costs and public transportation benefits.]

Sec. 165. In addition to the amounts made available under section 5327(c)(1) of title 49, United States Code, the Secretary may use, for program management activities described in section 5327(c)(2), 0.25 percent of the amount made available to carry out section 5307 of title 49, United States Code, 0.5 percent of the amount made available to carry out section 5311 of title 49, United States Code, and 1 percent of the amount made available to carry out section 5316 of title 49, United States Code: Provided, That funds made available for program management oversight shall be used to oversee the compliance of a recipient or subrecipient of Federal transit assistance consistent with activities identified under section 5327(c)(2) and for purposes of enforcement. (Department of Transportation Appropriations Act, 2010.)

LIVABLE COMMUNITIES

(LIQUIDATION OF CONTRACT AUTHORITY)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

(INCLUDING TRANSFER OF FUNDS)

For payment of obligations incurred in carrying out the provisions of 49 U.S.C. 5305, 5316 and 5339, \$52,000,000, to be derived from the Mass Transit Account of the Highway Trust Fund and to remain available until expended: Provided, That \$306,905,000 in contract authority is transferred from the Transit Formula Grants account of the Federal Transit Administration: Provided further, That funds available for the implementation or execution of programs and activities identified under this heading shall not exceed total obligations of \$306,905,000 for fiscal year 2011.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
LIVABLE COMMUNITIES**

Program and Financing (in millions of dollars)

Identification code : 69-8316-0-7-401	2009 Actual	2010 Est.	2011 Est.
Obligations by program activity:			
00.01	...	...	134
00.02	...	...	20
00.03	...	...	114
10.00	0	0	268
Budgetary resources available for obligation:			
21.40	...	...	...
22.00	...	...	307
23.95	0	0	-268
24.40	0	0	39
New budget authority (gross), detail:			
Discretionary:			
40.26	...	...	52
40.49	...	...	-52
41.00	...	...	...
42.00	...	...	307
43.00	...	...	307
Mandatory:			
66.10	...	...	307
70.00	0	0	307
Change in obligated balances:			
72.40	...	...	...
73.10	...	...	268
73.20	...	...	-46
74.40	0	0	222
Outlays (gross), detail:			
86.90	...	...	46
86.93	...	...	...
87.00	0	0	46
Net budget authority and outlays:			
89.00	...	...	307
90.00	...	...	46
Memorandum (non-add) entries:			
93.01	...	...	...
93.03	...	...	...
93.04	...	...	...
93.07	...	...	307

LIVABLE COMMUNITIES

PROGRAM AND PERFORMANCE

For 2011, the FTA reformats and restructures its programs and accounts to reflect the Administration's emphasis on transportation safety, livable communities and placed based development. Focused investment in public transportation in metropolitan and rural areas enhances the development of communities and the livability of people within those communities by providing effective and reliable transportation alternatives that increase access to jobs, health and social services, entertainment, educational opportunities, and other activities of daily life, while also improving mobility within and among these communities. The Livable Communities account includes funding for Job Access and Reverse Commute, Alternatives Analysis, and Metropolitan and Statewide Planning activities.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
LIVABLE COMMUNITIES**

Object Classification (in thousands of dollars)

		2009	2010	2011
Identification code : 69-8316-0-7-401		Actual	Est.	Est.
Direct obligations:				
25.2	Other services.....	...	...	2,241
41.0	Grants, subsidies, and contributions.....	...	...	265,533
99.9	Total new obligations.....	...	...	267,774

LIVABLE COMMUNITIES
Summary by Program Activity
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

	FY 2009 ENACTED	FY 2010 ENACTED ^{1/}	FY 2011 REQUEST	CHANGE FY 2010- FY 2011
Job Access and Reverse Commute Formula Program	---	---	\$166,620	\$166,620
Alternatives Analysis Program	---	---	25,322	25,322
Planning Programs	---	---	114,963	114,963
Total – Livable Communities	---	---	\$306,905	\$306,905

^{1/} Programs in this account have been moved from Transit Formula Grants.

Program and Performance Statement

For FY 2011, FTA reformats and restructures its programs and accounts to reflect the Administration’s emphasis on livable and sustainable communities. Focused investment in public transportation in metropolitan and rural areas enhances the development of communities and the livability of people within those communities by providing effective and reliable transportation alternatives that increase access to jobs, health and social services, entertainment, educational opportunities, and other activities of daily life, while also improving mobility within and among these communities. The Livable Communities Account a new trust funded account includes funding for Job Access and Reverse Commute, Alternatives Analysis, and Metropolitan and Statewide Planning activities. These programs have been moved from the Transit Formula Grant account.

FTA has long fostered and promoted livability through its various programs and activities. In addition, these programs advance the Administration’s domestic and fiscal priorities and increase the impact of Federal funding programs by leveraging place-based planning and program development.

On June 16, 2009, U.S. Department of Housing and Urban Development (HUD) Secretary Shaun Donovan, U.S. Department of Transportation (DOT) Secretary Ray LaHood, and U.S. Environmental Protection Agency (EPA) Administrator Lisa Jackson announced a new partnership to help American families in all communities — rural, suburban and urban – gain better access to affordable housing, more transportation options, and lower transportation costs.

Earlier this year, HUD and DOT announced an unprecedented agreement to implement joint housing and transportation initiatives. With EPA joining the partnership, the three agencies will work together to ensure that housing and transportation goals are met while simultaneously protecting the environment, promoting equitable development, and helping to address the challenges of climate change.

DOT, HUD and EPA have created a high-level interagency partnership to better coordinate federal transportation, environmental protection, and housing investments and to identify strategies that:

- **Provide more transportation choices.** Develop safe, reliable and economical transportation choices to decrease household transportation costs, reduce our nations' dependence on foreign oil, improve air quality, reduce greenhouse gas emissions and promote public health.
- **Promote equitable, affordable housing.** Expand location- and energy-efficient housing choices for people of all ages, incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation.
- **Enhance economic competitiveness.** Improve economic competitiveness through reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers as well as expanded business access to markets.
- **Support existing communities.** Target federal funding toward existing communities – through such strategies as transit oriented, mixed-use development and land recycling – to increase community revitalization, improve the efficiency of public works investments, and safeguard rural landscapes.
- **Coordinate policies and leverage investment.** Align federal policies and funding to remove barriers to collaboration, leverage funding and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.
- **Value communities and neighborhoods.** Enhance the unique characteristics of all communities by investing in healthy, safe and walkable neighborhoods – rural, urban or suburban.

"Imagine only walking a few steps to public transportation and ending up just blocks away from your destination...imagine what a great project that would be to rebuild America" – President Obama April 16, 2009

LIVABLE COMMUNITIES
Summary Analysis of Change from FY 2010 to FY 2011
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

Item	Change From FY 2010 to 2011	FY 2011 PC&B By Program	FY 2011 FTEs By Program	FY 2011 Contract Expenses	Total
FY 2010 Base: Enacted					
Livable Communities Appropriations, Obligations, Limitations, and Exempt Obligations					\$0
Adjustment to Base					
Subtotal, Adjustments to Base					
New or Expanded Programs					
Job Access and Reverse Commute Formula Program	\$166,620				
Alternatives Analysis Program	25,322				
Planning Programs	114,963				
Subtotal, New or Expanded Program Increases/Decreases					\$306,905
Total FY 2011 Request					\$306,905

Detailed Justification for Job Access and Reverse Commute Formula Program

Job Access and Reverse Commute Formula	FY 2011 Request: \$166,619,969
Overview:	
<p>Livable Communities includes providing transportation services to connect welfare recipients and low-income persons to employment and employment support services, such as training and child-care facilities. Funds may be used to support capital projects, usually vehicle acquisitions and customer information technology, mobility management, and to finance operating costs of equipment, facilities and associated support costs related to providing access to jobs. Funds are provided for projects relating to the development and maintenance of transportation services, including 1) transportation projects to finance planning, capital, and operating costs of providing access to jobs, 2) promoting public transportation for low-income workers, including the use of public transportation by workers with nontraditional work schedules, 3) promoting the use of transit vouchers for welfare recipients and eligible low-income individuals; and 4) promoting the use of employer-provided transportation, including the transit pass benefit program under section 132 of the Internal Revenue Code of 1986.</p>	

This program is targeted at developing additional transportation services to address gaps for low-income persons such as ridesharing, demand-responsive and van shuttle services, new bus routes, expanded service hours and special late or weekend service for shift workers, connector services to mass transit, employer provided transportation, and guaranteed ride home programs.

The program also includes Reverse Commute projects, designed to transport residents of urbanized areas and non-urbanized areas to suburban employment opportunities. These projects include: 1) subsidizing the costs associated with adding reverse commute bus, train, carpool, van routes, or service from urbanized areas and other-than-urbanized areas to suburban workplaces; 2) subsidizing the purchase or lease by a nonprofit organization or public agency of a van or bus dedicated to shuttling employees from their residences to suburban workplaces; and 3) facilitating the provision of public transportation services to suburban employment opportunities.

The lack of effective transportation services to connect welfare recipients and low-income persons to jobs and employment support services is a widespread national problem and a serious obstacle to achieving the goals of welfare reform. Integrating Job Access and Reverse Commute (JARC) into a formula program rather than maintaining it as a separate, nationally-administered competitive program has provided each State and large urban areas over 200,000 in population with the opportunity to consider and prioritize their mobility needs when planning transit services. Under the formula program, priorities for addressing these needs will be set at the local level through a collaborative planning process. The non-traditional transportation providers that currently provide many of these specialized services will be eligible sub-recipients under the program.

The planning and investment of these funds should be closely coordinated with those formula grants made under the Seniors and Persons with Disabilities grant program under the Transit Formula Grants account. This coordination is key to help ensure that Livability improvements are available to all members of the community, irrespective of limitations imposed by economic, physical or age related conditions.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

FY 2011 Budget Request:

JARC projects promote collaborative planning, operating, and financial partnerships within the existing transportation infrastructure, as well as with human service organizations. The funding request in FY 2011 is \$166.6 million.

JARC formula grants provide a fair distribution of funds based on indicators of need, i.e., the population of low-income individuals in each State. In the past, a total of 45 states and the

District of Columbia received funding under the program. However, formula allocation ensures that all 50 states plus the District of Columbia and the trust territories receive a predictable level of funding annually for capital, preventive maintenance, and operating activities to help sustain and increase transportation services that support job-related activities of the nation's low-income population.

A recent study of the economic benefits of employment related transportation services determined that transportation funded through the JARC program provided access to 51.8 million jobs, including 25.1 million low-wage jobs.

--*Connecting People to Employment and Enhancing Mobility for People with Disabilities: An Evaluation of Job Access and Reverse Commute (JARC) and New Freedom Program Services Provided in 2007 and 2008, November 2009.*

Detailed Justification for Alternatives Analysis Program

Alternatives Analysis Program	FY 2011 Request: \$25,322,208
Overview:	
<p>The Alternatives Analysis Program provides \$25.3 million to prepare studies of alternative transportation projects in corridors and subareas where major transit investments can address the mobility and livability goals. The information developed in these studies provides a sound basis for local decisions on transit alternatives that support communities and the livability of people within those communities by increasing access to jobs, health and social services, entertainment, educational opportunities, and other activities of daily life, while also improving mobility within and among these communities.</p>	
FY 2010 Base:	
<p>Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.</p>	
Anticipated FY 2010 Accomplishments:	
<ul style="list-style-type: none"> • FTA will continue to rely upon alternatives analysis studies to understand the nature and scope of transportation problems in corridors and communities, to identify a number of alternatives that address those problems, along with their costs, benefits, and impacts, and to evaluate projects that are subsequently proposed by local project sponsors for entry into the FTA New Starts project-development process. • FTA will continue to provide technical assistance to sponsors of alternatives analysis studies on both the development of useful information for local decision-making and on FTA requirements for New Starts projects should the local community decide to seek federal funding assistance for proposed transit projects. 	

FY 2011 Budget Request:

The Alternatives Analysis Program provides \$25.3 million to prepare studies of alternative transportation projects in corridors and subareas where major transit investments can address the mobility and livability goals. Alternatives analysis studies are undertaken to understand the nature and scope of transportation problems in corridors and communities, to identify a number of alternatives that address those problems, along with their costs, benefits, and impacts, and to evaluate projects that are subsequently proposed by local project sponsors for entry into the FTA New Starts project-development process. Sound investment in public transportation encourages the efficient location of jobs and housing in our communities, thus strengthening their economic vitality and livability, and creating a sense of place through integrated alignment of transportation and land usages, and an economic structure to propel national prosperity. FTA will continue to assess alternatives analysis studies and their results to understand the nature and scope of transportation problems in a corridor, and an identification of a number of alternatives that address those problems, along with their costs, benefits, and impacts, so that decision makers can make informed decisions on which alternative should be further developed. This information is necessary for making decisions on major transit project to pursue for federal funding.

Detailed Justification for Planning Programs

Planning Programs **FY 2011 Request: \$114,962,823**

Overview:

Funds requested for the Metropolitan and State Planning and Research Programs support the analytical, environmental, transportation air-quality conformity, evaluative, and policy-plan-program development work necessary to channel Federal and other transportation dollars to the priority transit investments strategies of State/local officials.

The success of transit capital investments, as well as the ongoing management and operation of transit systems, is dependent largely on preparatory planning at the State, region, corridor, and project-levels. The effective development and delivery of transit (and highway) programs and projects that support sustainable and livable communities, thus depends on a coordinated, comprehensive, and cooperative planning process. It is during this collaborative, process, in full coordination with housing economic development, and environmental quality programs, that transportation problems are analyzed, potential solutions are identified and evaluated, and the most effective transportation alternatives are recommended for funding.

In the past decade Federal surface transportation law has increasingly recognized the importance of transportation planning. The quality of planning in metropolitan and non-metropolitan areas across the U.S., however, is uneven. Some major areas of concern include:

- Lack of coordination and connectivity between transportation, land use, and environmental decisionmaking, including the resulting plans, program, and projects;
- Challenges facing State and local officials in reaching consensus on projects that cross jurisdictional boundaries: transit, highway, passenger and freight rail, and ferries.

- Ineffective connections between surface modes with each other and with airports;
- Information and technical procedures limitations in addressing air quality and green house gas emissions, especially across geographical/political boundaries;
- Inadequate technical capacity of planning organizations, e.g., travel forecasting, transit planning expertise (especially in State DOTs); financial planning, understanding and planning for a State of Good Repair of infrastructure;
- Imbalanced planning relationships between the State and non-urban areas and metropolitan planning entities, as well as between all of those entities and transportation providers and the public;
- Inadequate consideration of the elements essential to create “Livable” metropolitan and non-urban areas, such as the needs of transit-dependent persons, economic goals, environmental impacts, energy use, and public involvement.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

- Transportation plans and programs will be prepared through continuing, cooperative and comprehensive planning processes administered by State and local officials in States and metropolitan areas across the U.S.
- FTA will work with other Federal agencies to establish partnerships and identify investment strategies, pilot projects and planned outcomes that support livable and sustainable communities. Activities will include identification of success stories that demonstrate the use of current program resources to achieve livability and sustainability outcomes.
- Using multiple outreach strategies that include brochures, web-postings, webinars, conference participation, and training courses, FTA will educate Federal agencies, employees, grantees and stakeholders on how to achieve livability and sustainability outcomes.
- With assistance from FTA, State and local agencies will establish and maintain consistency between transportation planning programs and several other FTA programs that are being implemented on similar tracks, such as Human Service Transportation Coordination, Tribal Transit, Transit in the Parks, etc.
- FTA will work with other Federal partners funding human service transportation to coordinate and improve the delivery of transportation to older adults, persons with disabilities and low income persons through an enhanced participatory, locally coordinated public transit -human service planning process that brings together public transit and other transportation providers together with agencies serving human service needs and representatives of transportation-disadvantaged populations.

- With resources from FTA, the transportation planning capacity building program will provide technical assistance to States, MPOs, and transit agencies on integrating public transportation and housing planning and program requirements.

FY 2011 Budget Request:

For FY 2011, FTA requests a total of \$115.0 million for the Metropolitan and State Planning and research Programs. Funding is requested for the implementation of the analytic, environmental, transportation air-quality conformity, and evaluative work necessary to ensure that Federal and other transportation investments support the mobility needs of sustainable, livable communities while preserving environmental quality and being cost-beneficial.

Metropolitan Planning Program, 49 U.S.C. Section 5305(d).

In FY 2011, \$95.1 million is requested for the Metropolitan Planning formula program. This funding will be apportioned to the states, and states will distribute the funds (via a state-developed and FTA-approved formula) to MPOs. These funds support planning activities and enable regional planning agencies to identify the transportation investments that best meet the needs of the communities they serve and comply with Federal statutes.

State Planning and Research Program, 49 U.S.C. Section 5305(e).

A total of \$19.9 million is requested for the State Planning and Research program. These funds are apportioned to states using a statutory formula. Activities funded include transportation planning and technical assistance in Statewide transportation planning, as well as planning in non-urbanized areas, along with training in the public transportation field.

GREENHOUSE GAS AND ENERGY REDUCTION

(LIQUIDATION OF CONTRACT AUTHORITY)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

(including transfer of funds)

For the payment of obligations incurred in carrying out to provisions of 49 U.S.C. 301 for programs and activities identified under this heading, \$12,000,000, to be derived from the Mass Transit Account of the Highway Trust Fund and to remain available until expended: Provided, That \$52,743,000 in contract authority is transferred from the "Transit Formula Grants" account, Federal Transit Administration: Provided further, That funds available for the implementation or execution of programs and activities identified under this heading shall not exceed total obligations of \$52,743,000 for fiscal year 2011.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
GREENHOUSE GAS & ENERGY REDUCTION**

Program and Financing (in millions of dollars)

Identification code : 69-8301-0-7-401	2009 Actual	2010 Est.	2011 Est.	
Obligations by program activity:				
00.01	Greenhouse gas and energy reduction.....	...	...	48
10.00	Total new obligations.....	0	0	48
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year			
22.00	New budget authority (gross).....	0	0	53
23.95	Total new obligations.....	0	0	-48
24.40	Unobligated balance carried forward, end of year	0	0	5
New budget authority (gross), detail:				
Discretionary:				
40.26	Appropriation (trust fund)	0	0	12
40.49	Portion applied to liquidate contract authority used	0	0	-12
42.00	Transferred from other accounts .....	...	...	53
43.00	Appropriation (total discretionary).....	...	...	53
Mandatory:				
66.10	Contract authority.....	0	0	
70.00	Total new budget authority (gross).....	0	0	53
Change in obligated balances:				
73.10	Total new obligations.....	...	...	48
73.20	Total outlays (gross).....	...	...	-8
74.40	Obligated balance, end of year.....	0	0	40
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	...	...	8
87.00	Total outlays (gross).....	0	0	8
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	53
90.00	Outlays.....	...	...	8
Memorandum (non-add) entries:				
93.01	Unobligated balance, start of year: Contract Authority.....	...	...	...
93.03	Obligated balance, start of year: Contract Authority.....	...	...	...
93.04	Obligated balance, end of year: Contract Authority.....	...	...	...
93.07	Limatation on obligations (Transportation Trust Funds).....	...	...	53

GREENHOUSE GAS AND ENERGY REDUCTION

PROGRAM AND PERFORMANCE

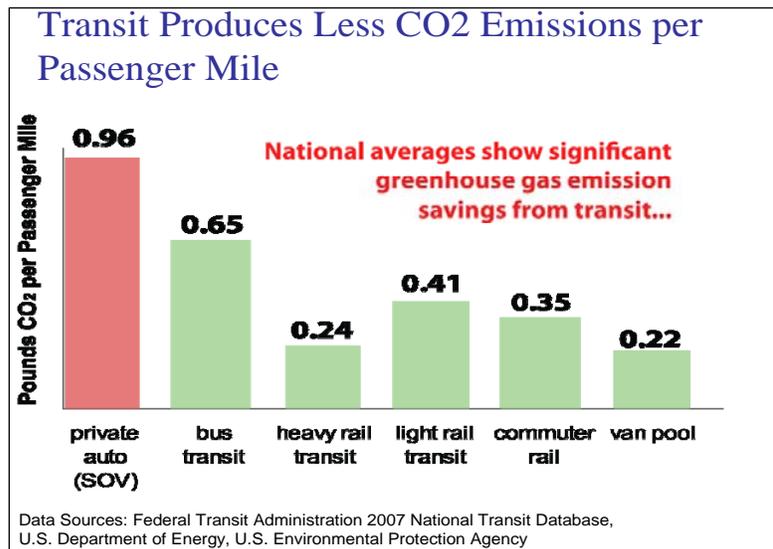
For 2011, the FTA reformats and restructures its programs and accounts to reflect the Administration's emphasis on programs that help address climate change by helping advance green technologies within the transit industry. The Greenhouse Gas and Energy Reduction account includes funding for Clean Fuels and Environmental Research, as well as Greenhouse Gas and Energy Reduction Deployment and Demonstrations that will assist in reducing the energy consumption or greenhouse gas emissions of public transportation systems.

GREENHOUSE GAS & ENERGY REDUCTION
Appropriation, Obligation Limitation, Exempt Obligations
(\$000)

	FY 2009 ENACTED	FY 2010 ENACTED	FY 2011 REQUEST	CHANGE FY 2010-2011
Clean Fuels and Environmental Research	-	-	14,743	14,743
Greenhouse Gas and Energy Reduction Deployment and Demonstrations	-	-	38,000	38,000
Total – Greenhouse Gas and Energy Reduction	-	-	52,743	52,743

Program and Performance Statement:

For FY 2011, FTA created a new Greenhouse Gas and Energy Reduction Account to focus agency resources on Departmental and Administration priorities to reduce greenhouse gas emissions (GHG) and address climate change. While all FTA programs help to address climate change by offering low GHG emissions alternatives to driving, the Greenhouse Gas and Energy Reduction Account will leverage FTA’s existing emission reduction activities, help the transit industry lead by example, and provide additional resources to target this important priority. The Greenhouse Gas and Energy Reduction Account includes funding for Clean Fuels and Environmental Research, as well as Greenhouse Gas and Energy Reduction Deployment and Demonstration activities.



“My presidency will mark a new chapter in America’s leadership on climate change” - Barack Obama, at a Global Warming Summit in California, November 17, 2008

GREENHOUSE GAS & ENERGY REDUCTION
Summary Analysis of Change from FY 2010 to FY 2011
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

Item	Change from FY 2010 to FY 2011	FY 2011 PC&B by Program	FY 2011 FTEs by Program	FY 2011 Contract Expenses	Total
FY 2010 Base: Enacted					0
Technical Assistance Appropriations, Obligations, Limitations, and Exempt Obligations					
Adjustment to Base					
Subtotal, Adjustments to Base					
New or Expanded Programs					
Clean Fuels and Environmental Research	14,743				
Greenhouse Gas and Energy Reduction Deployment and Demonstrations	38,000				
Subtotal, New or Expanded Program Increases/Decreases					52,743
Total FY 2011 Request					52,743

Detailed Justification for Clean Fuels and Environmental Research

Clean Fuels and Environmental Research	FY 2011 Request: \$14,743,000
<p>Transportation has a large role to play in reducing greenhouse gas emissions (GHGs) -- the transportation sector accounts for nearly 28% of all U.S. GHGs, second to GHGs emissions from the utility sector. Congress has expressed concern about the impact of transportation and housing policies on the environment. By influencing transportation options, Federal investment in our transportation infrastructure can have lasting impacts on U.S. GHG emissions.</p> <p>These programs support the Administration's "place-based policies and programs" to promote environmental sustainability through public transportation investments that offer a low emissions alternative to driving and facilitate compact development, further reducing travel distances and local community's carbon footprint. As such, transit is part of a comprehensive solution for reducing GHG emissions from the transportation sector. Transit also improves equity for low and moderate-income households seeking relief from higher fuel prices.</p>	

Measures and Performance:

- Outputs (2007)—8,600 buses, 1,987 heavy rail cars, 280 commuter rail cars, 6 light rail vehicles
- Performance Indicator—Gallons of fuel saved over automobile use. 211 million gallons saved annually due to transit vehicle outputs.
- Outcome supported—Reduction of overall greenhouse-gas emissions in the transportation sector to help mitigate global warming.
- Potential Improvements— 323 million gallons saved annually if transit vehicles were operating at full seat capacity.

The overwhelming response to FTA’s Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) program authorized by the American Recovery and Reinvestment Act of 2009, demonstrated a high demand for research funding and opportunities to test and develop technologies and practices to reduce energy consumption and GHG emissions. After wages, fuel and electricity account for a significant percentage of transit agencies overall operating costs. The variability of fuel prices can have a substantial affect on an agency’s budget. In addition, the cost to heat and cool transit facilities can be substantial. Although only \$100 million of TIGGER funds were available, FTA received applications for 561 projects requesting over \$2 billion. As can be seen in the box below, the TIGGER projects selected by FTA represent a diverse and innovative set of transportation strategies to address GHG emissions and energy reduction. This projects that can help transit systems change their GHG emissions profile and reduce their overall energy consumption.

For the TIGGER program, FTA received applications from large and small transit agencies in both rural and urban areas across the country. The 43 projects totaling \$100 million announced in 2009 include the following:

- 11 projects consisting of 7 solar installations, 2 wind installations, and 2 geothermal installations to provide low-carbon energy to transportation properties and electric utility companies.
- 16 projects to purchase or cover the incremental cost of hybrid or full-electric buses, helping reduce fuel consumption and encouraging the deployment of innovative bus technologies.
- 6 projects to improve the efficiency of existing vehicles including innovative heating and thermal systems for diesel buses, and energy storage, regenerative braking, and third rail heaters for rail vehicles.
- 9 transit facility improvements such as offsite battery recharging, new more efficient lighting fixtures including CFL and LED lighting, more efficient air compressors, and roof replacements.
- 1 project to replace 5 metric tons of the greenhouse gas Halon 1301 at 24 transit facilities with a cleaner agent.

The wide variety of projects shows the types of improvements that offer the most potential for reducing energy use and GHG emissions by transit agencies. This includes innovative technology applications and simple commonsense solutions like repainting a roof white to reduce energy absorption and heating costs.

In FY 2010, the Department of Transportation Appropriations Act, 2010 included \$75 million for “Grants for Energy Efficiency and Greenhouse Gas Reduction.” These funds are for capital investment that will reduce the energy consumption or the greenhouse gas emissions of public transit systems. The bill requires priority on projects based on the total energy savings that are projected to result from the investment.

In FY 2011, the Clean Fuels and Environmental Research program consolidates FTA’s previous research efforts into this new account. Prior research and deployment projects include clean fuels and electric drive technologies, the Fuel Cell Bus Program authorized in SAFETEA-LU, and the sustainable transportation research program.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

The following accomplishments are anticipated in FY 2010, as a result of FTA support for clean fuels research:

- Evaluation of electrified accessories in transit use.
- Demonstration of integrated starter/alternator technology.
- Demonstration of advanced propulsion system integration.
- Synthesis of available energy-saving drive system options.
- Analysis of fire and high-voltage safety for energy storage systems.
- Support for the U.S. Department of Transportation Center for Climate Change and Environmental Forecasting.
- Research and technical assistance tools and best practices in energy reduction and other areas to assist the transit industry in maximizing GHG emission reduction potential in public transportation.

FY 2011 Budget Request:

FTA works with public transportation providers and other key stakeholders to implement strategies that reduce GHG emissions from the transportation sector. FTA’s grants, technical assistance, research, and policy leadership all play a role in the agency’s efforts to address climate change.

FTA research on alternative fuels and high fuel efficiency vehicles has yielded the introduction of low emission technologies such as hybrid-electric buses, compressed natural gas vehicles, and vehicles that run on biodiesel. FTA encourages transit agencies to adopt clean technologies by supporting a higher Federal share of the cost of purchasing clean vehicles. In addition, FTA’s Clean Fuel Bus Program targets investments in clean transit vehicles.

FTA helps sustain public transportation as a low-emission alternative to automobiles through its \$10 billion a year budget. Over 1,500 transit agencies representing every State in the country benefit from FTA grants.

FTA provides assistance in planning and transit-oriented development. Combining investment in public transportation with compact, mixed-use development around transit stations has a synergistic effect that amplifies the GHG emission reductions of each strategy.

In FY 2011, FTA is requesting \$14.7 million to support its Clean Fuels and Environmental Research program. This research will build on programs previously funded in the Research and University Research Centers Account and focus transit agency efforts on reducing GHG emissions.

Clean Fuel and Electric Drive Vehicles

Electric drive technologies offer a pathway to reducing the energy consumption of transit operations and significantly reducing vehicle emissions. Transit offers an ideal platform for the validation and early adoption of advanced vehicle technologies. The advantages of large centrally fueled and professionally maintained heavy-duty vehicle fleets mitigate many of the issues involved in introducing new transportation technologies. The rapid deployment of natural gas and hybrid electric buses demonstrate how transit can play an important role in implementing new infrastructure and validating new technologies.

Traditional transit buses are powered by an internal combustion engine (ICE) that converts petroleum based fuels (diesel, gasoline, or natural gas) into mechanical power. The mechanical power is then used to provide propulsion, as well as run a complex system of vehicle accessories, from fuel pumps to air conditioning. Over the last several years, bus manufacturers and operators have begun to take advantage of higher efficiency electrical components and improvements in battery technology to reduce fuel consumption. This has included advancements ranging from developing larger alternators to full hybrid-electric vehicles.

The technical focus areas are:

1. Vehicle Energy Management (on-board): energy storage, regenerative braking, fuel cells, etc.
2. Electrification of Accessories: air conditioning, air compressor, alternator, etc.
3. Bus Design: lightweight materials, component packaging, maintainability, etc.
4. Rail Transit Energy Management: wayside storage, load-leveling, etc.
5. Locomotive Design: alternative locomotive energy systems including hybrids, fuel cells, etc.

Individual projects will be one or more of the following types.

- Analysis and Development: initial feasibility studies, background information and lab scale development to introduce or adapt new

technologies to transit.

- Demonstrations and Validation: operational testing and evaluation cycle to optimize a technology into a commercial product.
- Deployment and Implementation: support standard development, guidance and information sharing to encourage adoption of new technologies.

Imagine a bus that runs entirely on battery power for 3 hours then recharges in less than 10 minutes at properly equipped bus stations, cuts fuel costs from \$4,000 to \$40,000 per year and operates with *no* emissions.

A Fuel Cell Hybrid-Powered transit vehicle was on display at DOT headquarters in October 2009. FTA's National Fuel Cell Bus Program (NFCBP) helped the manufacturer develop this technology along with the Center for Transportation and the Environment (CTE), an Atlanta-based consortium chosen by FTA to manage the project.



Transit's Role in Reducing Greenhouse Gas Emissions

Transportation operations and infrastructure emit GHG emissions. Studies by governmental agencies, researchers, and advocacy groups on the issue of climate change and transportation provide some direction to policymakers in their quest to integrate greenhouse gas emissions reduction strategies into plans and projects. Strategies include technological innovations in vehicles and fuels, reducing the growth in vehicle miles traveled, and operational strategies, among others.

Public transportation can reduce GHG emissions by:

- Providing a low emissions alternative to driving.
- Facilitating compact land use, reducing the need to travel long distances.
- Minimizing the carbon footprint of transit operations and construction.

FTA plans to conduct policy-oriented research on specific policies and implementation strategies that can best reduce GHG emissions. For instance, combining public transportation investment with land use policy and parking pricing has shown to increase the effectiveness of each strategy in reducing GHG emissions. A study co-sponsored by FTA called *Moving Cooler*, quantified this effect. FTA intends to provide additional

policy research and technical assistance tools to the transit industry to assist the industry in maximizing the GHG emissions reduction potential of public transportation. In addition, FTA and other DOT modal administrations are working with organizations like the NASA Goddard Institute for Space Studies to better quantify the climate change impacts that may be attributed to the transportation emissions profile. This effort can help develop a better understanding of the levels of transportation-related energy and GHG emissions reduction will result in the most favorable mitigation of climate change impacts.

Explanation of Funding Changes for Clean Fuels and Environmental Research

Clean Fuels and Environmental Research	\$14,743,000
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Overview:

FTA previously funded clean fuels and environmental research projects in the Research and University Research Centers Account and the Formula and Bus Grants Account.

FTA is consolidating its clean fuels research and environmental sustainability research into the new Clean Fuels and Environmental Research program to focus resources on Departmental and Administration priorities. Secretary LaHood has acknowledged DOT’s role in reducing GHG emissions stating: “The President has already announced a series of aggressive actions to lower greenhouse gas emissions... The Department of Transportation has been and will continue to be a full partner in all of these efforts...” Funding for the Greenhouse Gas and Energy Reduction Account will support the Secretary’s commitment to be a full partner in reducing GHG emissions.

Detailed Justification for Greenhouse Gas and Energy Reduction Deployment and Demonstration

Greenhouse Gas and Energy Reduction Deployment and Demonstration FY 2011 Request: \$38,000,000

Overview:

FTA sponsored research shows that public transportation investment is most effective in reducing total metropolitan area vehicle miles traveled (VMT) and consequently GHG emissions when pursued in tandem with compact land use such as transit-oriented development, parking policies, and other complementary policies. This program would demonstrate how public transportation, integrated with supportive strategies, is key to providing low carbon mobility options. This demonstration program would spur and highlight innovative applications that combine transit investment with policies most likely to maximize that investment’s emission reduction potential. Having demonstrated examples of these integrated strategies will help transit agencies pursue them through FTA’s main formula grant programs that provide incentives for GHG emissions reductions.

The demonstration grant funding will serve as an incentive for local agencies to work together to pursue integrated policies. Recipients would be required to document the lessons learned from implementing these policies and share these lessons with other transit agencies and metropolitan areas. Many of these same strategies also support the Department's livable community's initiative.

In addition to helping reduce a community's carbon footprint they provide a low carbon transportation option. Many transit agencies can minimize the GHG emissions produced from their own operations. This includes purchasing fuel- efficient or alternative fuel vehicles, using low emissions construction practices, building energy efficient administration and maintenance facilities, etc. However, many transit agencies are reluctant to use limited capital funds to introduce new, low carbon technologies because they are considered high-risk or expensive compared to conventional technologies. Those agencies that do test new technologies do not fund independent evaluations or capture data that can be widely shared.

FTA's Greenhouse Gas and Energy Reduction Deployment and Demonstration program will encourage transit agencies to test innovative technologies that reduce GHG emissions and increase deployment of low carbon technologies.

Large-scale demonstrations and operations are the last step in the innovation process before the technologies reach full commercialization. By supporting these efforts, FTA can encourage integrated systems and standards that can be applied nationwide. FTA can help agencies document and share lessons learned and best practices.

In close coordination with industry, widespread deployment is followed by the distribution of standards and best practices to provide a consistent environment for eliminating incompatibility, streamlining procurement, ensuring safety, and reducing costs. This phase includes spreading the knowledge gained through other phases of the innovation process.

Continued project evaluation and analysis is an important part of gathering this information. A variety of technical-assistance, peer-to-peer-exchange, professional-development, training, information sharing, and industry-dialogue activities are conducted to best relate lessons learned in order to achieve desired-outcome goals.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

Activities proposed under the Greenhouse Gas and Energy Reduction Demonstration program are new in FY 2011.

FY 2011 Budget Request:

In FY 2011, \$38 million is requested to support three major activities: Innovative Public Transportation Technology Grants, Transit Test Beds, and the Greenhouse Gas and Energy Reduction Demonstration Program.

Innovative Public Transportation Technology Grant program:

This program will support testing low-cost technologies rather than large-scale demonstrations and will leverage FTA research into Clean Fuel and Electric Drive technologies.

FTA will establish a competitive grant program and request proposals to introduce and test new technologies that could reduce energy use or GHG emissions.

Examples of types of projects that would be eligible include innovations in:

- Vehicle energy management: Energy storage, regenerative braking and propulsion systems.
- Electrification of accessories.
- Wayside storage devices.
- Smaller facility projects for stations, bus facilities and shelters including: solar and wind power generation; cooling and heating system improvements; lighting upgrades; geothermal heating, station remodeling, LEED certification; new furnaces; and, new roofs, insulation, windows, and doors.

FTA will also use a portion of the program funds to undertake independent evaluations of the costs and benefits of the technologies to provide information to transit agencies nationwide that might consider these technologies.

Transit Test Beds:

This program will test and demonstrate specific technologies in the field at designated transit agencies. FTA will competitively select two transit agencies to operate a Transit Test Bed. The Transit Test Beds will specialize in research, testing, and demonstrations of technologies designed to reduce energy consumption and/or GHG emissions.

Transit Test Beds will use funds to adapt, test and evaluate new technologies in test tracks and in transit operations and to overcome problems with new technology implementation. Working closely with FTA, the designated Transit Test Bed would form a coalition with regional transit agencies or transit agencies of similar size or scope to adapt new technologies. Development, demonstration and evaluations will take place at the Transit Test Bed and the consortium agencies.

Examples of types of projects that would be eligible include innovations in:

- Introduction of advanced vehicles or propulsion systems into transit: hybrid-electric buses, bus refurbishment, battery-powered buses, buses constructed from composite materials, plug-in hybrids, CNG and hydrogen fueling stations, and fuel cells.

- Facility projects for stations, bus facilities, and shelters include: solar and wind power generation; cooling and heating system improvements; lighting upgrades; geothermal heating, station remodeling, LEED certification; new furnaces; and, new roofs, insulation, windows, and doors.
- New information systems used to optimize energy-efficiency or emissions.

This program allows FTA to more immediately and directly help transit agencies in problem solving.

The goal of these deployments is to provide an objective basis for FTA to determine if certain technologies should advance to the next phase of development or receive continued support. In some instances, FTA will compare tests of innovations with conventional practices to assist decision-makers in choosing among future investment options. A vital outcome is the validation of technologies ready for commercialization.

Greenhouse Gas and Energy Reduction Deployment and Demonstration:

This large-scale deployment program will demonstrate two different strategies for reducing GHG emissions:

- Sustainable Communities through Transit Program: Invest in targeted public transportation service expansion combined with supportive policies such as compact development and parking policies to reduce GHG emissions in demonstration site metropolitan areas.
- Energy Reduction Demonstration Program: Minimize the carbon footprint of transit operations and construction by providing grants for low emission vehicles, green building, and other projects.

Sustainable Communities Through Transit Demonstration Program

FTA will request proposals from metropolitan areas to implement transit and complementary policies that reduce GHG emissions in their communities. Efforts funded could include combinations of targeted transit investments likely to garner high ridership, transit-oriented development, coordinated land use and transportation planning focusing development around public transportation services, parking pricing, pedestrian infrastructure, intermodal facilities, and other combinations of strategies that enhance the GHG emission reduction potential of transit investments.

Cities will be selected based on the level of GHG emission reductions they can achieve, the feasibility of the proposal, their plans to share lessons learned with other communities, and other factors.

Energy Reduction Demonstration Program

Transit agencies continue to search for methods to reduce their energy consumption or GHG emissions. The Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) program funded in the American Reinvestment and Recovery Act, 2009

(ARRA) demonstrated the pent-up demand for these types of technologies. Although only \$100 million was available for TIGGER, and the maximum grant size was set at \$25 million, FTA received applications totaling over \$2 billion for 561 projects.

In addition, in FY 2010, the Department of Transportation Appropriations Act, 2010 included \$75 million for “Grants for Energy Efficiency and Greenhouse Gas Reduction.” These funds are for capital investment that will reduce the energy consumption or the greenhouse gas emissions of public transit systems. The bill requires priority on projects based on the total energy savings that are projected to result from the investment.

This program would be complementary to the projects under capital programs, to focus on innovative technologies and practices that transit agencies could apply but may not be aware of. The Energy Reduction Demonstration program will fund large-scale demonstrations of innovative practices or technologies to reduce the GHG emissions or energy consumption of public transportation agencies.

Demonstrations would also flow from FTA’s Clean Fuels and Electric Drive research as FTA and the transit industry identify new technologies and innovations. Examples of types of projects that would be eligible include in:

- Bus projects: hybrid-electric buses, bus refurbishment, battery-powered buses, buses constructed from composite materials, plug-in hybrids, CNG and hydrogen fueling stations, and fuel cells.
- Bus fleet demonstrations.
- Rail projects: locomotive replacement, and conversion to diesel-electric locomotives; wayside storage devices.
- Ferry projects.
- Facility projects for stations, bus facilities and shelters include: solar and wind power generation; cooling and heating system improvements; lighting upgrades; geothermal heating, station remodeling, LEED certification; new furnaces; and, new roofs, insulation, windows, and doors.
- New information systems used to optimize energy-efficiency or emissions.

This demonstration program would fund competitive proposals for innovative technologies and practices that would reduce the GHG emissions or energy consumption of public transportation agencies.

Explanation of Funding Changes for Greenhouse Gas and Energy Reduction Deployment and Demonstration

Greenhouse Gas and Energy Reduction Deployment and Demonstrations	\$38,000,000
Overview: <p>The funding requested for Energy Reduction Deployment and Demonstrations is new in FY 2011. FTA’s Greenhouse Gas and Energy Reduction Deployment and Demonstration program will encourage transit agencies to test innovative technologies and policies to reduce GHG emissions. FTA technology demonstration and deployment programs are necessary because transit agencies are often reluctant to use limited capital funds to buy new technologies they consider risky or expensive. FTA’s demonstration of sustainable communities’ strategies is necessary to demonstrate the impacts of these policies and to provide incentives to the multiple agencies involved to pursue supportive policies jointly with transit investment.</p> <p>Through the creation of the new Greenhouse Gas and Energy Reduction Account, FTA is focusing resources on agency, Departmental and Administration priorities. Secretary LaHood has acknowledged DOT’s role in reducing GHGs, stating: “The President has already announced a series of aggressive actions to lower greenhouse gas emissions... The Department of Transportation has been and will continue to be a full partner in all of these efforts...” Funding for the Greenhouse Gas and Energy Reduction Account supports Secretary LaHood’s promise to be a full partner in reducing GHGs.</p>	

TRANSIT FORMULA GRANTS

[FORMULA AND BUS GRANTS]

(LIQUIDATION OF CONTRACT AUTHORITY)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out the provisions of 49 U.S.C. 5305, 5307, 5308, 5309, 5310, 5311, 5316, 5317, 5320, 5335, 5339, and 5340 and section 3038 of Public Law 105-178, as amended, [\$9,400,000,000] \$9,200,000,000 to be derived from the Mass Transit Account of the Highway Trust Fund and to remain available until expended: Provided, That funds available for the implementation or execution of programs authorized under 49 U.S.C. [5305,] 5307, 5308, 5309, 5310, 5311, [5316, 5317,] 5320, 5335, [5339, and 5340 and section 3038 of Public Law 105-178, as amended,] shall not exceed total obligations of [\$8,343,171,000] \$8,271,700,000 in fiscal year [2010]2011: *Provided further, That \$306,905,000 in contract authority for programs under 49 U.S.C 5305, 5316 and 5339 is transferred to the Livable Communities account of the Federal Transit Administration: Provided further, That \$52,743,000 in contract authority to implement programs under 49 U.S.C. 301 is transferred to the Greenhouse Gas and Energy Reduction account of the Federal Transit Administration. (Department of Transportation Appropriations Act, 2010.)*

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
TRANSIT FORMULA GRANTS**

Program and Financing (in millions of dollars)

		2009	2010	2011
Identification code : 69-8350-0-7-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Urbanized area programs.....	3,705	5,256	5,992
00.02	Fixed guideway modernization.....	1,380	1,684	515
00.03	Bus and bus facility grants.....	683	1,232	737
00.04	Over-the-road bus.....	15	12	7
00.05	Clean Fuels Program.....	42	67	41
00.06	Planning Programs.....	162	101	45
00.07	State administered programs.....	823	1,090	177
00.08	Alternative analysis program.....	11	38	26
00.09	Alternative Transportation in Parks and Public Lands.....	29	37	44
00.10	Bus and rail state of good repair.....	...	...	2,283
00.11	Seniors and persons with disabilities.....	...	...	343
00.12	Non-urbanized area programs.....	...	...	695
10.00	Total new obligations.....	6,850	9,517	10,905
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	3,311	5,715	4,459
22.00	New budget authority (gross).....	9,247	8,261	7,901
22.10	Resources available from recoveries of prior year obligations.....	15	...	...
22.21	Unobligated balance transferred to other accounts	-8	...	...
23.90	Total budgetary resources available for obligation.....	12,565	13,976	12,360
23.95	Total new obligations.....	-6,850	-9,517	-10,905
24.40	Unobligated balance carried forward, end of year	5,715	4,459	1,455
New budget authority (gross), detail:				
Discretionary:				
40.26	Appropriation (trust fund)	8,670	9,400	9,200
40.49	Portion applied to liquidate contract authority used	-9,567	-10,168	-9,619
41.00	Transferred to other accounts ... [69-8083].....	-108	...	-360
42.00	Transferred from other accounts	1005	768	419
43.00	Appropriation (total discretionary).....	...	...	-360
Mandatory:				
66.10	Contract authority.....	8,361	8,261	8,261
66.35	Contract authority permanently reduced.....	-100	...	...
66.61	Transferred to other accounts	-100	...	...
66.62	Transferred from other accounts	1086	...	...
66.90	Contract authority (total mandatory).....	9,247	8,261	8,261
70.00	Total new budget authority (gross).....	9,247	8,261	7,901

(Continued on next page)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
TRANSIT FORMULA GRANTS**

Program and Financing (in millions of dollars)
(Continued from previous page)

Identification code : 69-8350-0-7-401	2009 Actual	2010 Est.	2011 Est.
Change in obligated balances:			
72.40	9,952	9,523	9,788
73.10	6,850	9,517	10,905
73.20	-7,264	-9,252	-8,844
73.45	-15	...	...
74.40	9,523	9,788	11,849
Outlays (gross), detail:			
86.90	1,830	2,003	1,985
86.93	5,434	7,249	6,859
87.00	7,264	9,252	8,844
Net budget authority and outlays:			
89.00	9,247	8,261	7,901
90.00	7,264	9,252	8,844
Memorandum (non-add) entries:			
93.01	...	...	...
93.03	8,837	8,516	6,609
93.04	8,516	6,609	5,251
93.07	9,247	8,343	8,272

Summary of Budget Authority and Outlays (in millions of dollars)

Enacted/requested:			
Budget Authority.....	9,247	8,261	7,901
Outlays.....	7,264	9,252	8,844
Amounts included in baseline projection of current policy:			
Budget Authority.....	...	100	100
Outlays.....	...	...	...
Legislative proposal, not subject to PAYGO:			
Budget Authority.....	...	...	...
Outlays.....	...	...	...
Total:			
Budget Authority.....	9,247	8,361	8,001
Outlays.....	7,264	9,252	8,844

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
TRANSIT FORMULA GRANTS**
(Amounts included in baseline projections of current policy)

Program and Financing (in millions of dollars)

		2009	2010	2011
Identification code : 69-8350-2-7-401		Actual	Est.	Est.
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward start of year.....	...	...	100
22.00	New budget authority (gross).....	...	100	100
23.90	Total budgetary resources available for obligation.....	...	100	200
24.40	Unobligated balance carried forward, end of year.....	...	100	200
New budget authority available for obligation:				
66.10	Contract authority	...	100	100
Net budget authority and outlays:				
89.00	Budget authority.....	...	100	100
90.00	Outlays.....	...	...	...

TRANSIT FORMULA GRANTS

PROGRAM AND PERFORMANCE

In 2011, the FTA reformats and restructures its programs and accounts to reflect the Administration's priority emphasis on transportation safety, livable communities and placed development. Some programs previously funded under this account have been merged with other programs or moved to other accounts to consolidate like activities and programs. All programs within the Transit Formula Grants account are funded from the Mass Transit Account of the Highway Trust Fund.

Formula Grant funds can be used for all transit purposes including bus and railcar purchases, facility repair and construction, maintenance and where eligible, planning and operating expenses. These funds help existing transit systems alleviate congestion, provide safe and reliable transportation options, promote economically vibrant communities and meet the requirements of the Americans with Disabilities Act (ADA) and the Clean Air Act (CAA).

Urbanized Area Formula.-\$4,610.4 million in funds will be apportioned to areas with populations of 50,000 or more. Funds may be used for any transit capital purpose, including preventive maintenance for capital assets in urban areas over 200,000 in population. In urban areas under 200,000, both capital and operating costs are eligible expenditures.

Bus and Rail State of Good Repair.-\$2,853.7 million for investments in bus and related capital projects and the acquisition, reconstruction and improvement of facilities and equipment for use on fixed guideways, including heavy and light rail, commuter rail, and ferryboat operations. Funding for this program will help address the replacement backlog of rail transit assets that are in marginal or poor condition. Federal, State and local investment is needed to ensure that transit infrastructure achieves a state of good repair and can continue to provide for safe and reliable transit service for the American public.

Nonurbanized Areas Formula. -\$545.1 million will be apportioned to a legislative formula based on each State's nonurban areas with populations of less than 50,000. Available funding may be used to support intercity bus service as well as to help meet rural and small urban areas' transit needs, including \$10.9 million for the Rural Transportation Assistance Program. This program includes \$15.0 million for grants to Indian Tribes for capital, operating, planning and administrative assistance.

Formula Grants for Seniors and Persons with Disabilities. -\$230.0 million will be apportioned to each State according to a legislatively required formula for the purchase of vehicles and equipment and for transportation services under a contract, lease or similar arrangement. In 2011, this program funds expanded activities formerly funded under the Elderly and Persons with Disabilities and the New Freedom Programs. Funds in this program will provide additional tools to overcome significant barriers facing Americans with disabilities seeking access to jobs and integration into the workforce.

Paul S. Sarbanes Transit in Parks Program.-\$27.4 million to enhance the protection of America's national parks and increase the enjoyment of those visiting the parks. The goals of the Alternative Transportation in Parks program include ensuring access for all, including individuals with disabilities; improving conservation and park and public land

opportunities in urban areas through partnering with State and local governments; and improving park and public land transportation.

National Transit Database (NTD).-\$5.0 million for operation and maintenance of the NTD system, a database of statistics on the transit industry, which is Congressionally mandated under 49 U.S.C. 5335(a)(1)(2). The NTD provides for the national collection and dissemination of a uniform system of transit system financial accounts and operating data. As set forth in legislative formulas, these data are used in the national allocation of FTA formula funding.

This account is renamed in 2011 from Formula and Bus Grants consistent with the activities funded under this heading.

DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
TRANSIT FORMULA GRANTS
[FORMULA AND BUS GRANTS]
Object Classification (in thousands of dollars)

		2009	2010	2011
Identification code : 69-8350-0-7-401		Actual	Est.	Est.
Direct obligations:				
25.2	Other services.....	32,160	77,963	94,276
41.0	Grants, subsidies, and contributions.....	6,818,254	9,439,188	10,810,713
99.9	Total new obligations.....	6,850,414	9,517,151	10,904,989

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
STATUS OF THE MASS TRANSIT ACCOUNT OF THE HIGHWAY TRUST FUND**

(in millions of dollars)

	2009	2010	2011
	Actual	Est.	Est.
Unexpected balance, start of year.....	6,787	5,212	1,486
Cash income during the year			
Governmental receipts, Motor fuel taxes.....	4,809	4,775	4,831
Federal Highway Administration transfers (net).....	897	768	419
Total annual cash income.....	<u>5,706</u>	<u>5,543</u>	<u>5,250</u>
Cash outlays during the year:			
Discretionary grants.....	16	17	17
Formula and Bus Grants.....	7,264	9,252	8,898
Total annual outlays.....	<u>7,281</u>	<u>9,269</u>	<u>8,915</u>
Unexpended balance, end of year.....	<u>5,212</u>	<u>1,486</u>	<u>-2,179</u>

Note: an errata updating this schedule in the President's Budget will be issued.

TRANSIT FORMULA GRANTS
Summary by Program Activity
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

	FY 2009 ENACTED 1/	FY 2010 ENACTED	FY 2011 PRES. BUDGET		CHANGE FY 2010 to FY 2011 3/
Clean Fuels Grant Program	51,500	51,393	0	2/	(51,393)
Urban Area Formula Grants	4,552,161	4,542,690	4,610,437		67,747
Bus and Rail State of Good Repair (renamed)	1,666,500	1,663,033	2,853,716	3/	1,190,683
Bus and Bus Facility Grants	884,000	981,953	0	3/	(981,953)
Over-the-Road Bus Accessibility	8,800	8,782	0	4/	(8,782)
Planning Programs	113,500	113,264	0	5/	(113,264)
Formula Grants for Seniors and Persons with Disabilities (Elderly and Persons with Disabilities and New Freedom)	133,500	133,222	230,040		96,818
Formula Grants for Other Than Urbanized Area	538,204	537,084	545,126		8,042
Job Access and Reverse Commute Formula Program	164,500	164,158	0	6/	(164,158)
New Freedom Program	92,500	92,308	0	7/	(92,308)
National Transit Database Alternate Analysis	3,500	3,493	5,000		1,507
Program	25,000	24,948	0	8/	(24,948)
Paul S. Sarbanes Transit in Parks	26,900	26,844	27,381		537
Total - Formula Grants	\$8,260,565	\$8,343,171	\$8,271,700		(\$71,471)

^{1/} FY 2009 reflects the enacted obligation limitation and rescission of \$100,000,000 pursuant to Pub. Law 111-8, Div I, Title I, section 167.

^{2/} Reflects proposed deletion of the Clean Fuels Program funding for these activities are within the Demonstration program under Greenhouse Gas and Energy Reduction

^{3/} FY 2011 funds for Bus and Rail Fixed Guideway Modernization are merged into a new program "Bus and Rail State of Good Repair.

^{4/} Reflects proposed deletion of program.

^{5/} Metropolitan and Statewide Planning programs are moved to the Livable Communities account.

^{6/} Job Access and Reverse Commute program is moved to the Livable Communities account.

^{7/} New Freedom program is merged with the Seniors and Persons with Disabilities program.

^{8/} Alternatives Analysis is moved to the Livable Communities account.

Program and Performance Statement:

In FY 2011, the FTA reformats and restructures its programs and accounts to reflect the Administration's priority on livability, reducing greenhouse gas emissions, transportation safety and maintaining the public transportation infrastructure in a "State of Good Repair." Some programs previously funded under this account have been merged with other programs or moved to other accounts to consolidate similar activities and programs. All programs within the Transit Formula Grants account are funded from the Mass Transit Account of the Highway Trust Fund.

Formula grant funds in this account can be used for all transit purposes including bus and railcar purchases, facility repair and construction, maintenance and where eligible, planning and operating expenses. These funds help existing transit systems alleviate congestion, provide safe and reliable transportation options, improve the average condition of bus and rail fleets to a "State of Good Repair," promote economically vibrant communities and meet the requirements of the Americans with Disabilities Act (ADA) and the Clean Air Act (CAA).

The Job Access and Reverse Commute, Alternatives Analysis, and Planning programs are moved to the new Livable Communities account in FY 2011. Overall the FY 2011 Budget request includes an increase in Federal transit formula funds.

TRANSIT FORMULA GRANTS
Summary Analysis of Change from FY 2010 to FY 2011
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

Item	Change From FY 2010 to FY 2011	FY 2011 PC&B By Program	FY 2011 FTEs By Program	FY 2011 Contract Expenses	Total
FY 2010 Base: Enacted					
Transit Formula Grants - Appropriation, Obligation Limitation, and Exempt Obligations					\$8,343,171
Adjustments to Base					
Clean Fuels Grant Program	(51,393)				
Urbanized Area Formula Grants	67,747				
Bus and Rail State of Good Repair	1,190,683				
Bus and Bus Facility Grants	(981,953)				
Over-the-Road Bus Accessibility	(8,782)				
Planning Programs	(113,264)				
Formula Grants for Seniors and Persons with Disabilities (Elderly and Persons with Disabilities & New Freedom)	96,818				
Formula Grants for Other Than Urbanized Areas	8,042				
Job Access and Reverse Commute Formula Program	(164,158)				
New Freedom	(92,308)				
National Transit Database	1,507				
Alternative Analysis Program	(24,948)				
Paul S. Sarbanes Transit in Parks	537				
Subtotal, Adjustments to Base					(71,471)
New or Expanded Programs					
Subtotal, New or Expanded Program Increases/ Decreases					
Total FY 2011 Request					\$8,271,700

Detailed Justification for Urbanized Area Formula Grants:

Urbanized Area Formula Grants	FY 2011 Request: \$4,610,437,242
Overview:	
<p>Urbanized Area Formula funds provide communities with the flexibility to use their resources to address many transit needs. Funds are eligible for the purchase of new buses, for adequate maintenance of existing buses, and for the purchase and adequate maintenance of bus related capital. The Urbanized Area Formula program makes Federal resources available to urbanized areas with a population of 50,000 or more. Formula grant funding can be used for all capital transit purposes and, in areas under 200,000 in population, for operating assistance. These resources help maintain the condition of Federally funded capital assets in order to provide safe, reliable transit services.</p>	
<p>Eligible capital expenses include: planning; bus, van, railcar, intelligent transportation systems (ITS), and equipment purchases; facility repair and construction; new technology introduction; and preventive maintenance. Capital costs also include: incidental expenses</p>	

of acquisition or construction; costs of rehabilitating or remanufacturing a bus; costs of overhauling and modernizing rail rolling stock and facilities; and certain joint development activities in and around transit stations. Capital costs may also include leasing equipment or a facility for use in public transportation, when these alternatives are more cost-effective than acquisition or construction.

The definition of eligible capital expenses has been expanded to include: construction, renovation, and improvement of intercity bus and rail stations and terminals; renovation and improvement of historic transportation facilities; and crime prevention and security, including projects to refine and develop security and emergency response plans to detect chemical and biological agents in public transportation, to conduct emergency response drills with public transportation agencies and local first response agencies, and to train public transportation employees. This excludes all expenses related to operations, other than those expenses incurred in conducting activities described previously. Costs associated with mobility management consisting of short-range planning and management activities and projects for improving coordination among public transportation and other transportation providers is also included.

The prosperity, equity, sustainability, and livability of neighborhoods, cities and towns, and larger regions depend on the ability of the Federal government to enable locally-driven, integrated, and place-conscious solutions guided by meaningful measures, not disparate or redundant programs that neglect their impact on regional development.

In the last 30 years, America's population has grown almost 40 percent, placing new stresses on old programs and policies, infrastructures, and strategies. These years have been marked by the evolution of interdependent and interconnected regions and ecosystems. A systematic review of how a wide range of Federal policies affect the development of urban, suburban, and rural America is long overdue.

The surface transportation reauthorization process presents an opportunity to modernize the Federal government's place-based policies and programs. Between now and 2050, the expected population growth of nearly 140 million people will require, among other things, the construction of more than 200 billion square feet of new housing, business space, and retail development and major new investments in all forms of physical infrastructure. New construction will constitute an estimated two thirds of all development on the ground in 2050. This provides an unprecedented opportunity to create more sustainable communities for generations to come.

The Nation's cities and surrounding metropolitan regions already house more than 80 percent of the population and account for nearly 90 percent of the nation's Gross Domestic Product (GDP) and 75 percent of carbon emissions. These areas will drive much of the success at accommodating a growing population in ways that are sustainable for generations to come.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A,

Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

- An estimated 2,000 30-40 foot buses using alternative fuels propulsion systems, including biodiesel and hybrid-electric will be purchased with funds under the Urbanized Area Formula Grants program. This will contribute to the Environmental Stewardship goal of reducing emissions from motor vehicles.
- The average condition of bus fleets has shown a gradual improvement since the late 1990s. This reflects continued FTA funding for transit capital investment, including new vehicles. FTA's goal is to maintain the average transit vehicle condition in the "adequate" range.

FY 2011 Budget Request:

The Urbanized Area Formula request for FY 2011 is consistent with the Administration's goal of ensuring that the Nation's transit infrastructure is as safe, efficient, and cost-effective as possible, thus attracting riders and maximizing the mobility, accessibility, and environmental benefits of public transportation.

This budget includes \$4.6 billion by formula for capital improvements to transit systems in urbanized areas. These funds help provide reliable, dependable, and safe public transportation. A significant amount of the funds distributed around the country are invested in the basic needs of maintaining and sustaining the \$607.2 billion in transit capital assets already on the ground, though the needs are far greater in some areas. In smaller areas, these funds also provide much needed operating assistance to actually get transit service on the road, day to day.

The FY 2011 request strengthens support for the Department's ridership goal by directing funds to those programs that provide performance incentives, transit enhancements, replacement and repair of buses and bus facilities, and the rehabilitation and replacement of bus maintenance facilities.

- *Transit Security.* Recipients of Urbanized Area Formula funding are required to use at least one percent of the amount received each fiscal year on "mass transportation security projects" unless the grantee certifies, and the Secretary of Transportation accepts, that the expenditure for security projects is unnecessary. These expenditures support local projects that improve safety and security for the users of public transit and contribute to homeland security.
- In addition, resources in this request help fund the necessary rehabilitation and replacement of the Nation's urban and rural bus maintenance facilities. The latest statistics (from 2006) indicate that 71.1 percent of bus maintenance facilities are in "adequate or excellent" condition, a slight improvement since 2002 that reflects the combined long-term commitment to transit by Federal, state and local governments.

Explanation of Funding Changes for Urbanized Area Formula Grants:

Urbanized Area Formula Grants	\$67,746,809
Overview:	
<p>The FY 2011 increase from FY 2010 for this program supports additional transit capital improvements, as well as replacement and rehabilitation of maintenance facilities. The FY 2011 funding request will ensure that Federally funded capital assets (primarily buses and bus related facilities, which make up the majority of the nation’s transit assets) continue to improve and supply safe, reliable, and efficient transit services to communities throughout the country. Funding less than the requested level would have a negative impact on the performance of transit systems, thereby increasing the possibility of inefficient, unsafe, and costly transit services.</p>	

Detailed Justification for Bus and Rail State of Good Repair:

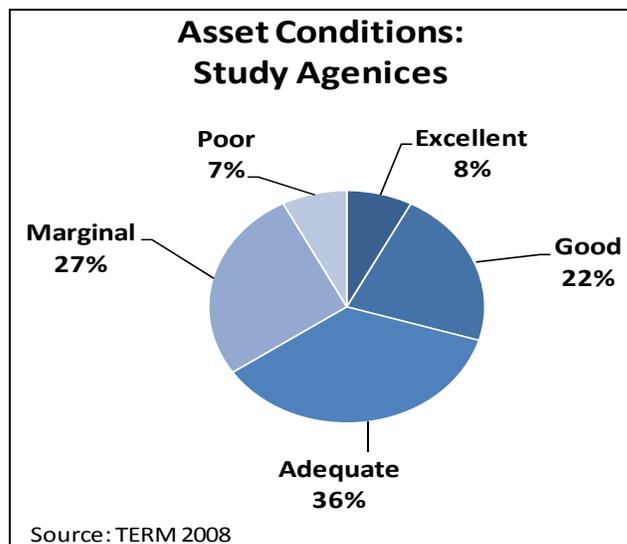
Bus and Rail State of Good Repair	FY 2011 Request: \$2,853,715,594
Overview:	
<p>Recent studies cite the over \$50 billion in U.S. public rail transit assets, in the 7 rail systems included in the study, are considered to be in substandard or poor condition. While further studies are underway to update this figure for all transit capital, it is clear that Federal, State and local investment is needed to ensure that transit infrastructure achieves a state of good repair and can continue to provide for safe and reliable transit service for the American public.</p> <p>Public transportation agencies must make it a top priority to achieve and maintain a state of good repair to provide safe and reliable service to millions of daily riders. To foster this commitment, FTA has made transit infrastructure’s state of good repair its priority and has embarked on a multi-pronged initiative, in partnership with the transit industry, to make progress on this key priority. FTA’s state of good repair initiative includes sharing ideas with transit agencies on recapitalization and maintenance issues, asset management practices, and innovative financing strategies. FTA kicked off its state of good repair initiative in 2008, with an initial meeting of 14 transit agencies to help the agency identify key issues in bringing the industry into a state of good repair. Since then, FTA has published reports on issues associated with state of good repair; set up a state of good repair website; formed an FTA-Industry working group to discuss and share issues and ideas; and convened a “State of Good Repair Roundtable” hosted by WMATA in Washington, DC. The purpose of this roundtable meeting was to draw attention to the issue, share experiences, and identify needs to address the repair of our nation’s transit infrastructure.</p> <p>The Bus and Rail State of Good Repair program supports bus vehicles and facilities and any capital assets related to fixed guideway systems, which includes heavy rail, light rail, commuter rail, monorail, trolleybus, aerial tramway, inclined plane, cable car, automated guideway transit, ferryboats, high-occupancy vehicle lanes, and any portion of a motor bus service operated on exclusive or controlled rights-of-way. Federal</p>	

funding and local matching funds support the replacement and rehabilitation of the existing rail fleet and restoration of rail facilities, such as stations, track, and yards. Funding also supports the maintenance of operational support equipment. In so doing, it ensures safe, reliable transit services to more riders.

Current Conditions:

- The nine agencies below operate and maintain many of the nation’s oldest transit assets.
- More than one-third (34%) of the nine agencies’ assets are in either marginal or poor condition.
- In comparison, less than 20% of all US transit assets are in marginal or poor condition.
- This suggests agency reinvestment needs for these systems (per dollar invested) are higher than the rest of the industry, although a reliable system of asset management is critical for all systems to ensure that state of good repair is both achieved, and maintained over time.

Agency	Modes
Chicago, CTA	Heavy Rail
Boston, MBTA	Heavy Rail, LR and Commuter Rail
Metropolitan Transit Authority (MTA)	Heavy Rail and Commuter Rail
New Jersey, NJT	Commuter Rail, Light Rail
San Francisco, BART	Heavy Rail
Philadelphia, SEPTA	Commuter Rail, Light Rail and Heavy Rail
Washington, WMATA	Heavy Rail



As of FY 2006, there were 128,132 active urban transit vehicles, 11,796 miles of track, 3,053 stations, and 813 rail maintenance facilities. Since 1991, Federal, state and local funding resources have invested \$165 billion in the preservation and expansion of the nation's rolling stock and infrastructure. Despite this ongoing investment, roughly one-third of the nation's bus and rail assets are in marginal or poor condition, implying these assets are near or past their useful life or have one or more defective or deteriorated components.

FTA found that the large transit agencies regularly assessed the condition of their assets, but none of the transit agencies had a full asset management program that was used to set long term priorities for capital reinvestment. FTA will take a leadership role in improving the use of asset management practices among transit agencies.

The FY 2010 Transportation, Housing and Urban Development, and Related Agencies Appropriations Act requested that \$5 million in the research account be used for FTA to take a leadership role on transit state of good repair. The FTA will use a portion of these funds to develop standards for asset management plans and design these standards so that transit agencies are encouraged to place the appropriate priority on protecting safety. The FTA will use the remaining funds to provide technical assistance to transit agencies that are developing or implementing asset management plans, to improve the ability of the FTA to collect data relevant to asset management, and to conduct a pilot program designed to identify the best practices of asset management.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

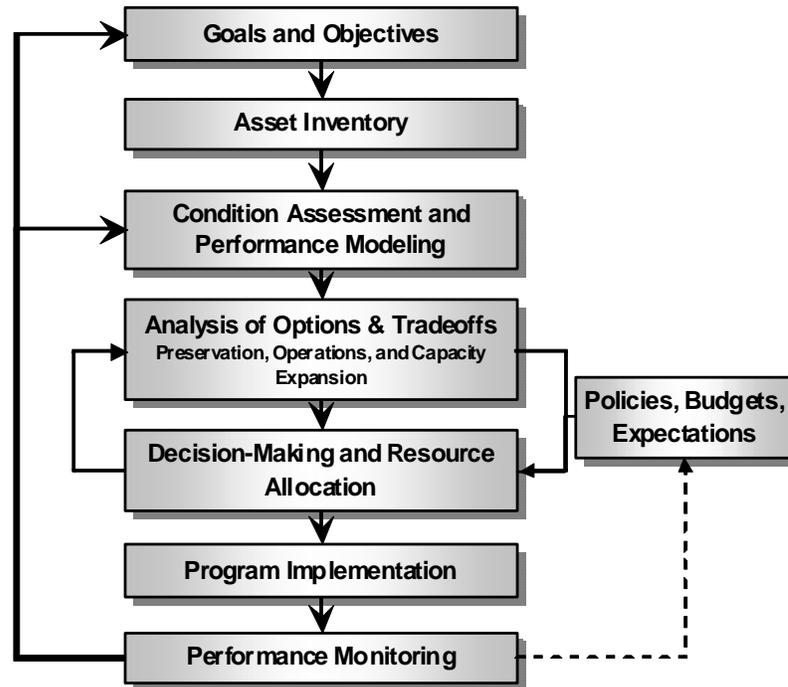
FTA is developing strategies to promote an understanding and awareness of national transit recapitalization needs and potential solutions to address those needs.

- **SGR Roundtables and Advisory Groups:** FTA currently conducts biannual “roundtables” with industry engineering professionals to address common issues impacting the design and construction of New Starts projects. FTA is developing a similar roundtable program to address state of good repair issues. As with the existing construction roundtables, these “SGR Roundtables” will include industry engineering and capital planning experts with the objective of sharing approaches and solutions to common state of good repair problems. These roundtables will also help ensure that FTA’s strategies for attaining state of good repair accurately reflect real world reinvestment realities.
- **Definition and Measurement of State of Good Repair:** At present, there is no industry accepted definition of “state of good repair”. In the absence of a clear definition and reliable measures, Federal, state and local decision makers cannot easily establish an operational policy of attaining a state of good repair, determine what it will take to reach that objective or determine when (or if) that goal has been attained. The industry would greatly benefit from the presence of a National Transit Capital Asset reporting system that ensures: regular asset reporting and a consistent structure and level of reporting across all urban transit agencies. This data would support better national needs assessments and transit asset condition monitoring than is currently possible. FTA will work with the industry to help define “state of good repair” and how best to measure it. The goal is to find a common language to begin to address the problem.
- **Transit Asset Management:** In the early 1990’s, the Nation’s highway industry initiated development of the country’s first transportation asset management systems. Today, virtually all state DOTs possess well developed asset management processes designed to actively monitor current asset conditions and evaluate reinvestment needs and tradeoffs. Highway conferences typically include multiple sessions focused on asset management processes. The Federal Highway Administration maintains an Asset Management Office. In contrast, few U.S. transit operators possess asset management processes comparable to those in the highway. As an industry we need to do better. FTA will work with the transit industry to jointly develop asset management approaches that serve our specific needs. Asset management can help agencies:
 - Establish clear organizational SGR definitions and objectives
 - Assess the magnitude of the issue
 - Better coordinate agency planning, engineering and decision making functions
 - Monitor system condition and performance
 - Prioritize the use of scarce reinvestment funds

The Senate Report (Rep. 111-69) accompanying the FY 2010 Transportation, Housing and Urban Development, and Related Agencies Appropriations Bill requests FTA use a portion of the \$5 million within the bill to provide technical assistance to transit agencies that are developing or implementing asset management plans, to improve the ability of the FTA to collect data relevant to asset management, and conduct a pilot program designed to identify the best practices of asset management, and report the findings of the pilot to Congress.

- **“TERM-Light”:** FTA’s Transit Economic Requirements Model (TERM) is an analysis tool designed to help planners evaluate long-term transit recapitalization needs. In development for more than a decade, TERM can estimate the level of capital investment required to attain a state of good repair (or other investment objective) and can also assess how variations in capital funding availability will likely impact the future condition and performance of transit infrastructure. FTA is currently exploring development of a simplified version of TERM (or “TERM light”) for use by local agency capital planning staff. In return for free use of TERM, FTA would seek local agency asset data and participation in the ongoing improvement of this useful tool.
- **National Transit Asset Inventory:** A prerequisite to effective, long-term transit capital reinvestment analysis – at either the national or local levels – is the availability of good quality asset inventory and condition data. At present, only a handful of US transit operators actively maintain transit asset inventories for capital planning purposes and there is no Federal reporting on transit assets except vehicles. FTA is exploring expanding the current National Transit Database (NTD) reporting requirements to include data on local agency asset inventory holdings and conditions. This data will support TERM’s assessments of national reinvestment needs and also prove of value to those agencies not currently collecting this data for their own needs assessment purposes.
- **Research and Technical Assistance:** The SGR Workshop identified several areas where FTA can provide research and technical assistance relating to state of good repair and asset management. Examples include:
 - Asset Inventory Development: What are the best practices in the development of asset inventories and how are other agencies applying their inventories?
 - Linear Asset Management Tools: How are rail transit agencies utilizing “linear asset management tools” for the maintenance management and capital planning needs of their linear rail asset types (e.g., ROW (right –of-way), signals, track, tower, structures, etc.)?
 - Maintenance Management Systems: How can agencies make better use of their existing maintenance management systems to address state of good repair issues?
 - Innovative Financing: How can FTA support the industry in developing and promoting the use of innovative financing methods specifically designed to support capital reinvestment?

Transportation Asset Management Process



FY 2011 Budget Request:

In FY 2011, FTA is requesting \$2,853.7 million for activities under the Bus and Rail State of Good Repair (SGR) program. The April 2009 FTA Rail Modernization Study revealed there is a significant backlog of State of Good Repair needs within the nation's transit infrastructure system. The study, which focused on seven of the largest transit agencies showed a SGR need of about \$50 billion, excluding capacity improvements and safety and security needs. The need for the entire transit industry is much larger, especially if all other factors are considered.

We are currently following up on the "Rail Modernization Study – Report to Congress, April 2009," to expand the scope from the 7 "older" rail transit systems included in the study to assessing more rail transit systems' and bus systems to identify total costs to bring rail and bus transit systems nationwide to a "state of good repair." This will ensure that bus and rail transit systems are properly reported in the future Department of Transportation (DOT) *Status of the Nation's Highways, Bridges, and Transit Condition & Performance* reports to Congress.

The state of repair of the over 92,000 buses and maintenance facilities nationwide are also at risk. Over 15 percent of the bus vehicle fleet remains in use beyond its expected service life. Vans, paratransit vehicles and small buses, in general, decay more rapidly than full-size buses. Over 77 percent of the bus maintenance facilities in urban areas are in less than "good condition."

The focus on “asset management” of bus and rail transit infrastructure will enable transit agencies to take inventory of the capital assets, assess the condition of those assets, use objective and quantitative analysis to estimate reinvestment needs over the long term, and prioritize their capital investments.

Funding for the former Bus and Bus Facilities program has been merged with Fixed Guideway Modernization, except funding associated with the Fuel Cell Bus program has been merged with clean fuels and environmental research under the new Greenhouse Gas and Energy Reduction account. Activities related to the Bus Testing Facility are now funded in National Research and Technology.

Explanation of Funding Changes for Bus and Rail State of Good Repair:

Bus and Rail State of Good Repair	\$208,729,910
Overview:	
<p>Funding for the Bus and Rail State of Good Repair activity maintains and improves the conditions of bus and rail systems nationwide. In FY 2011, funding to support “Bus and Rail State of Good Repair” increases 8 percent over the program levels funded in FY 2010. This program will help to ensure that bus and rail systems and facilities continue to improve and remain a reliable means of transit.</p>	
<i>Refocus For Bus and Rail State of Good Repair Program</i>	
<p>The Bus and Rail State of Good Repair program provides capital assistance for the modernization of existing fixed guideway systems, defined as transit services that use exclusive or controlled rights-of-way or rails, entirely or in part. The program includes heavy rail, commuter rail, light rail, monorail, trolleybus, aerial tramway, inclined plane, cable car, automated guideway, ferryboats, the portion of motor bus service operated on exclusive or controlled rights-of-way, and high-occupancy vehicle (HOV) lanes. The bus component, in addition to bus “right-of-way” just described will include bus fleets, maintenance facilities, stations and structures.</p>	
<p>We will work with transit agencies to develop the specific processes, procedures and standards for purposes of receiving this funding.</p>	

Detailed Justification Formula Grants for Seniors and Persons with Disabilities (renamed)

Formula Grants for Seniors and Persons with Disabilities: (renamed)	FY 2011 Request: \$230,040,407
Overview:	
<p>The goal of this program is to improve mobility for seniors and persons with disabilities throughout the country. Toward this goal, FTA provides financial assistance for transportation services planned, designed, and carried out to meet the special</p>	

transportation needs for elderly individuals and individuals with disabilities in all areas – urbanized, small urban, and rural. The program requires coordination with other federally assisted programs and services in order to make the most efficient use of Federal resources. In FY 2011, funds focused on Elderly Persons and Persons with Disabilities are merged with New Freedom funds.

This program focuses on America’s commitment to meeting the transportation needs of the elderly and persons with disabilities. Among the Americans who use transit are the 35 million senior citizens who are most likely to need access to dependable transportation if they are to participate fully in their community. FTA strongly supports the President’s commitment to tearing down the barriers to equality that face many Americans with disabilities.

Funds will be used to expand employment opportunities to Americans with disabilities by addressing employment-related transportation needs that are not currently addressed by the 1990 ADA. There are an estimated 54 million Americans who have a physical or mental disability that significantly limits one or more major life activities.

Approximately 70 percent of adult persons with disabilities are unemployed. Even with passage of the ADA, lack of adequate transportation continues to be a primary barrier to work for people with disabilities, with one-third of people with disabilities reporting that transportation is a significant problem. The ADA requires only that existing public transportation be accessible; it does not require the existence of any type of transportation system, and does not seek to address the gaps persons with disabilities encounter in transportation services. The program would expand the transportation mobility options available to persons with disabilities beyond the minimum required under the ADA.

The planning and investment of these funds should be closely coordinated with the JARC formula grants made under the Livability grant program account. This coordination is key to help ensure that the Livable Communities program addresses all members of the community, irrespective of limitations imposed by economic, physical or age related conditions.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

Since enactment of the ADA in 1990, FTA has been working to make public bus, rail and paratransit services accessible to individuals with disabilities. One major goal is to make the national fixed-route bus fleet fully accessible by the end of 1996, six years after enactment, 63 percent of the active fleet was ADA-compliant. According to National Transit Database data, 99 percent of all motorbuses and 79 percent of rail vehicles were ADA compliant in FY 2006. Of the active fleet of 63,166 buses, only 861

were not considered ADA compliant. In the near future, FTA will have essentially achieved the goal of full compliance.

Projects must be in a locally-developed human services transportation coordination plan in order to ensure a higher level of coordination requirements. This planning process will include representatives of public, private, and nonprofit transportation and human services providers and the public.

FY 2011 Budget Request:

The FY 2011 budget request for this program is \$230 million. Funds under this program are available for capital expenses to support the provision of transportation services to meet the special needs of elderly individuals and individuals with disabilities. Such expenses include the purchase of vehicles and equipment and the acquisition of transportation services under a contract, lease or other arrangement. These funds will maintain and expand the current services. There are approximately 4,836 providers of special services to the elderly and disabled in both urban and rural areas, operating nearly 38,000 special service vehicles nationwide. About 1,800 vans and buses for special services for elderly and disabled persons are purchased annually, in addition to services provided under contract. Enhanced planning requirements will ensure that traditional recipients of funding under this program will have the opportunity to receive funding under the restructured formula programs.

The FY 2011 request provides funds to ensure that every American has the opportunity to fully participate in society and engage in economic, social, and practical activities. It represents an important step in working to ensure that all Americans have the opportunity to learn and develop skills, to engage in productive work, to choose where to live, and to participate in community life.

This request provides funding for transportation services that are not sufficient to meet the employment transportation needs of persons with disabilities. Funding provides capital funds for vehicle purchases that serve both the elderly and persons with disabilities. Fifty percent or more of these funds go to organizations that serve elderly persons for non-work trips, and only a portion of the remaining funds go to organizations that serve persons with disabilities for work-related transportation services. Likewise, the intercity bus program assists the private intercity bus industry with expenses related to installing lifts, as required by ADA, and is directed at intercity travel, not local work trips. In contrast, the New Freedom Program will provide funds for transportation that is dedicated to connecting persons with disabilities to jobs.

Explanation of Funding Changes Formula Grants for Seniors and Persons with Disabilities (renamed):

Formula Grants for Seniors and Persons with Disabilities: (Elderly and Persons with Disabilities and New Freedom) Renamed	\$96,818,151
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Overview:

This program provides funding for capital projects to assist private nonprofit groups in meeting the transportation needs of the elderly and persons with disabilities when the public transportation service provided is unavailable, insufficient, or inappropriate to meet these needs. The FY 2011 increase over FY 2010 for this program is primarily due to FTA’s dedication to making services accessible for the elderly and persons with disabilities. Funding for this program will also ensure that Federally funded programs provide transportation options to the elderly and those with disabilities so they can fully participate in their communities. Less funding limits enhancements to transportation services.

In FY 2011, this program funds expanded activities formerly funded under the Elderly and Persons with Disabilities and the New Freedom Programs.

Detailed Justification for Formula Grants for Other-Than-Urbanized Areas:

Formula Grants for Other-Than-Urbanized Areas **FY 2011 Request: \$545,125,841**

Overview:

The Non-urbanized Area Formula program provides formula funding to states to support public transportation in areas of less than 50,000 in population. The program addresses the transportation needs of people living in rural counties that have no public transportation services and assists states in supporting rural intercity bus service by requiring that they spend 15 percent of their annual apportionment on such service. Each State must spend no less than 15 percent of its Non-urbanized Area Formula apportionment on the development and support of intercity bus transportation, unless the Governor certifies to the Secretary that the intercity bus service needs of the state are being adequately met.

The Nation’s rural communities will require a different place-policy approach. Nearly 64 percent of the counties across the country are rural. These communities will continue to be integral to the Nation’s food security while also serving as an engine of renewable energy production. In addition, the special needs and potential of Tribal communities must be addressed. Already, rural communities have to overcome issues that are taken for granted in urban areas such as affordable and flexible transportation choices. Addressing these transportation needs while planning smartly for sustainable progress is a key balance for sustainable place-policy.

The placed-based strategy allows the Administration to retool existing policies and programs for a changed context. It also offers an opportunity to design a proactive strategy to promote economic and environmental sustainability.

The services that Federal funds support in non-urbanized areas are essential. For instance, the Nation’s 1,330 rural transit providers take people to work, shopping, and other essential services, such as doctor’s appointments that encourage individuals to lead

healthier and more productive lives. This service is vital for non-drivers living in rural areas, including many of the 30 million elderly, working poor, and individuals with disabilities.

The costs of non-fixed route paratransit service required by the 1990 ADA that do not exceed 10 percent of a transit authority's annual formula apportionment are eligible for capital expenses. Private non-profit agencies and private transportation providers will be eligible sub-recipients under these state administered programs.

FTA refers to Public Transportation on Indian Reservations Program 49 U.S.C. 5311(c)(1), as the Tribal Transit Program. It is funded as a takedown from funds appropriated for the Section 5311 program. Federally recognized Indian Tribes are defined as eligible direct recipients. The funds are to be apportioned for grants to Indian Tribes for any purpose eligible under Section 5311, which includes capital, operating, planning, and administrative assistance for rural public transit services and rural intercity bus service.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

- In FY 2008, ridership in rural areas is projected to increase by 3 percent. Non-urbanized Area Formula funds are expected to purchase over 2,500 small buses and vans. FTA continuously works to provide guidance on the preparation of grant applications along with furthering interaction with the stakeholders.

FY 2011 Budget Request:

In FY 2011, FTA is requesting funding of \$545.1 million for activities under the formula program for non-urbanized areas. The FY 2011 request will help fund the needs of rural public transportation services and will assist states in supporting rural intercity bus service through the continued requirement that State spend 15 percent of their annual apportionment on intercity bus service. The Public Transportation on Indian Reservations (Tribal Transit Program) is funded at \$15 million in FY 2011.

Explanation of Funding Changes for Formula Grants for Other-Than-Urbanized Areas:

Formula Grants for Other Than Urbanized Areas	\$8,041,683
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Overview:

This program provides formula funding to States to support public transportation in areas of less than 50,000 in population. The increase in funding from FY 2010 to FY 2011 reflects a commitment to address the unmet transportation needs of rural

communities, and FTA’s ambitious performance goal to ensure that public transit service is provided in 75 percent of counties with non-urbanized area populations by FY 2011. By improving accessibility to transportation services for people living in rural communities, FTA not only honors its commitment to many of the 30 million elderly, working poor, and individuals with disabilities that live in rural areas, but it is also able to meet the Department’s performance goal to increase access for all Americans.

Detailed Justification for National Transit Database:

National Transit Database	FY 2011 Request: \$5,000,000
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Overview:

To provide a sound basis for the equitable apportionment of FTA funds by legislative formula, National Transit Database (NTD) data must be accurate and complete. A significant portion of NTD funding provides for the continuation of data collection, validation, analysis, and report preparation tasks. NTD data is certified as accurate and reliable by the local transit agency and validated by FTA. Gathering NTD data and analyzing and ascertaining its validity promulgates necessary equitable funding decisions among all Federal transit programs. By determining appropriate funding allocations, FTA can ultimately help improve transit conditions, thereby increasing the number of riders and the frequency with which they use public transit.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

FY 2011 Budget Request:

FTA requests \$5 million to fund data collection, validation, and dissemination of information through the National Transit Database, as required under 49 U.S.C. 5335(a)(1)(2). The NTD is the primary national database for statistics on the transit industry. Approximately 650 transit authorities that receive FTA grants file annual reports through this Internet-based reporting system. Each year, performance data reported to the NTD is used to apportion almost \$8 billion of FTA funds to transit agencies.

In addition to being used for FTA’s urban formula and fixed-guideway modernization apportionments (are we going to be making FG apportionments under the FY 2011 budget any longer—or “state of good repair” apportionments?), the NTD is used in conjunction with other information to report to Congress on the performance and condition of the transit industry and to assess progress against FTA goals and objectives. NTD data is also used to help meet the information needs of public transportation systems, MPOs, other Federal agencies, State and local governments, vehicle equipment manufacturers, researchers, and the general public. Local planning agencies, for example, use NTD information on different modes of transit (bus, commuter rail, light rail, demand response, etc.) to examine comparative cost, service level, and vehicle information for local service planning and decision-making.

Four annual transit reports are generated from the NTD. These reports include: the National Transit Database Reporting Manual, Transit Profiles of all transit agencies reporting to the NTD, Transit Profiles of the largest 50 Agencies (as measured by ridership), and National Transit Summaries and Trends. These reports are available on the FTA's internet site at www.fta.dot.gov.

Furthermore, upgrades to the NTD are needed for improved safety and security software. Enhancements are required to improve the accuracy of data submissions, requiring the development of additional validation routines. In addition, security requirements mandated by the OMB, Clinger-Cohen, and the National Institute of Standards and Technology Certification are needed.

Detailed Justification for Paul S. Sarbanes Transit in Parks Program:

Paul S. Sarbanes Transit in Parks Program	FY 2011 Request: \$27,380,916
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Overview:

The Paul S. Sarbanes Transit in Parks Program is designed to develop public transportation and alternative transportation in National Parks and on public lands, with the goal of improving mobility and reducing congestion and pollution. The goals of this program include: ensuring access for all, including individuals with disabilities; improving conservation and park and public land opportunities in urban areas through partnering with state and local governments; and improving park and public land transportation. Transit investment needs include purchasing bus vehicles, trolley cars, tram vehicles, and waterborne vessels. They also include investment in maintenance facilities and ferry piers. Needed transit enhancements include parking facilities, connections with non-motorized trails, shelters and signage, and information services.

SAFETEA-LU requires the Department of Transportation (DOT) to develop cooperative agreements with the Department of the Interior; to provide technical assistance in planning for public transportation and alternative transportation; to provide teams to develop Federal land management alternative transportation policy, procedures, and coordination; and to develop procedures and criteria for the planning, selection, funding, implementation, and oversight of projects.

Although FTA will work closely with the Department of the Interior (DOI), its National Park Service, Fish and Wildlife Service and Bureau of Land Management, and the Department of Agriculture's U.S. Forest Service on implementing this program, FTA is investigating options to streamline this process in the next authorization.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Explanation of Funding Changes for Paul S. Sarbanes Transit in Parks Program:

Paul S. Sarbanes Transit in Parks Program	\$536,881
Overview:	
The increase over FY 2010 reflects additional obligation limitation for program funding authorized. FTA and the U.S. Department of Interior will continue to fund projects under Interagency Agreements with the U.S. Fish & Wildlife Service, the National Park Service, and the U.S. Forest Service.	

Detailed Justification for Oversight Program (non-add):

Oversight Program (non-add)	FY 2011 Request: \$81,379,892
Overview:	
<p>The Oversight Program, authorized under section 5327(c) of 49 U.S.C., is a critical element of the FTA’s effort to ensure that Federal funds are used cost-effectively and in accordance with applicable laws and regulations. Set-aside funding for the FTA Oversight Program was initially authorized in 1987 to provide FTA with the means to better oversee the implementation of major capital projects. Recognizing that Federal oversight of the transit program was needed not only for major capital projects, but other program areas as well, the funding authority was expanded in FY 1990 to include “...<i>safety, procurement, management and financial compliance reviews, and audits of any recipient of funds...</i>” under the Federal transit assistance programs.</p> <p>The Transportation Equity Act for the 21st Century (TEA-21), section 3024, confirmed the importance of the oversight program, extending its funding to include the authority, “...<i>to provide technical assistance to correct deficiencies identified in compliance reviews and audits carried out under this section.</i>” FTA will continue to expand its oversight of the introduction of advanced technology into existing transit systems to ensure that recipients are aware of safety, technical and operational risks and adopt adequate measures to deal with them. Additionally, SAFETEA-LU provided for an expanded program of New Starts projects that required additional oversight resources.</p> <p>SAFETEA-LU provides for take-downs from the following programs:</p> <ul style="list-style-type: none"> • 0.5 percent of section 5305 – Metropolitan and Statewide Planning • 0.75 percent from section 5307 - Urbanized Area Formula Grants • 1.0 percent from section 5309 – Bus and Bus Facilities and Fixed Guideway Modernization • 0.5 percent from section 5310 - Formula Grants for Special Needs Populations • 0.5 percent from section 5311 - Formula Grants for Other than Urbanized Area Formula Grants • 0.5 percent from section 5320 – Paul S. Sarbanes Transit in Parks 	
FY 2010 Base:	

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

FTA's grants management oversight program consists of a number of different types of reviews, including project management oversight and financial management oversight of major capital investment projects, as well as safety and security, procurement and management oversight of all FTA grantees. These include the following oversight activities:

- *Project Management Oversight (PMO)* – The PMO program provides contractual engineering expertise to monitor management and technical capacity of the project grantee to carryout a larger capital project. PMOs review and conduct: cost analyses; real estate and uniform act conformance reviews; risk assessments of project cost/schedule/safety, construction security; modifications and change orders; and develop “Before and After” studies of major capital investment projects. The PMO program monitoring ensures projects are adequately staffed and properly managed in accordance with acceptable engineering principles and requirements. Specifically, the PMO program is designed to “safeguard Federal investment” through effective oversight.
- *Financial Management Oversight (FMO)* – The FMO program conducts full scope financial management system reviews and a variety of special analysis reviews, and training seminars. A Full Scope Financial Management System Review determines if a grantee's financial management system and internal control environment meet the Federal government standards. A follow-up review is conducted 12 to 18 months after the initial review to determine if the findings and recommendations of the Full Scope review were properly implemented. FTA also conducts special analysis of grantees with a narrow focus on special areas related to financial management of an FTA grant. FTA expects to expand the FMO program to include Cooperative Agreements reviews to monitor the financial aspect of research grants provided to transit related organizations to research promising improvement in the transit field.
- *State Safety Oversight* – The purpose of the State Safety Oversight program is to set minimum safety and security requirements for the nation's Rail Transit Agencies and to ensure the implementation of these requirements through the designated State Safety Oversight Agencies. Requirements for FTA's State Safety Oversight Program are specified in 49 CFR Part 659. SAFETEA-LU expanded the applicability of this rule from States with Rail Transit Agencies in revenue operations to States with Rail Transit Agencies in engineering, design, construction and revenue operations. There is considerable concern nationwide regarding rail transit safety. Most recently rail transit systems in Boston, San Francisco and the recent accidents on the Washington Metropolitan Area Transit Authority (WMATA) system, resulting in 9-passenger fatalities. In response to

this growing concern, FTA awaits Congress' action on new authorization under 49 U.S.C. 5329 to expand the Federal role of rail transit oversight. The Department submitted legislation "The Public Transportation Safety Program Act of 2009" to Congress on December 7, 2009.

- *Drug and Alcohol Testing* – The Drug and Alcohol Oversight program allows the FTA to conduct on-site audits of Section 5311 (Nonurban Area Formula) grantees, Section 5307 (Urbanized Area Formula) sub-recipients, contractors, drug and alcohol programs, and to provide technical assistance where needed. To date, efforts have primarily focused on larger transit agencies. Beginning in FY 2008, FTA focused on smaller agencies. This included agencies that were transitioning from State program sub-recipients to urbanized area grantees. Approximately 305 of 533 urban agencies and 43 of 53 states/territories have received at least one audit since the inception of the program. The goal in FY 2010 will be to continue to audit the states and smaller grantees.
- *Procurement Oversight* – FTA will continue to assist in providing oversight of grantees' procurement systems, including procurement system reviews to determine if grantees' procurement systems meet the requirements of the Common Grant Rule and to advise FTA on the effectiveness of each grantee's procurement system. The regional offices use their grantee oversight assessments to determine which grantees to select for procurement system reviews. It is estimated that an average of 18 to 22 reviews will be conducted on an annual basis in each fiscal year.
- *Civil Rights/ Title VI/Environmental Justice/ADA* – FTA's legislation prohibits discrimination in use of Federal funds by recipients including sub-recipients and contractors. Compliance reviews and assessments are conducted to determine if the grantee's required Title VI, Equal Employment Opportunity (EEO), and Disadvantaged Business Enterprise (DBE) programs are in compliance as requested by FTA. The results Title VI, EEO, and DBE reviews enable FTA to provide technical assistance to our grant recipients to assist them in correcting these concerns.
- The Americans with Disabilities Act (ADA), as amended requires accessible transportation. DOT is responsible for ensuring that grantees for Federal funds comply with ADA regulations. Transportation is the critical link that allows more than 54 million Americans with disabilities access to work, school, and health facilities. FTA hires contractors to conduct reviews to ensure grantee compliance with ADA regulations.
- The ADA requires key rail stations and new rail stations to comply with the ADA requirements. In addition, ADA Paratransit and Fixed Route reviews are used to improve transportation accessibility around the country. ADA Complementary Paratransit assessments focus on the six service requirements of the DOT ADA regulations with an emphasis on the capacity constraints prohibitions. These

reviews are conducted throughout the fiscal year and each review takes approximately one week to complete the on-site visit, and six to eight weeks to complete the final report.

- *Triennial Reviews* – A triennial review is required under 49 USC 5307(i)(2) for all recipients of Section 5307 funds. The triennial review is FTA’s primary oversight program for 650 recipients of Section 5307 urbanized area formula funds. Mandated by Congress in 1982, the triennial review examines 23 areas of statutory and administrative requirements, including internal controls and management processes, to determine how the recipients of Federal formula funds comply. Once every three years, a contractor, in coordination with the Regional Office staff, reviews each section 5307 grantee to assess compliance in accordance with the Annual Certifications and Assurances submitted by grantee. The triennial review is the most encompassing of the audit tools FTA has available to ensure grantee compliance. Compliance is monitored through; (1) grantee self-certifications at the grant award phase, (2) annual audits to ensure that grantees are carrying out their program of projects, and (3) triennial reviews by FTA to address grantee performance regarding self-certifications, the planned projects, and adherence to statutory and administrative requirements.
- *OTRAK Oversight* – OTRAK is the official record system for FTA’s oversight program. OTRAK is designed to assist in planning, tracking and monitoring the follow-up activities for Post-Award reviews on FTA recipients. OTRAK includes details on other subject reviews, hotline reports, and other audit activities on our recipients of Federal funds. The OTRAK system itself is also subject to evaluation to ensure data integrity and effectiveness.

FY 2011 Budget Request:

In FY 2011, the budget requests \$103.3 million. A total of \$81.4 million is available for oversight activities within the Transit Formula Grants account. Another \$18.2 million in oversight is funded from the Capital Investment Grants account, Livable Communities account (\$2.2 million) and Washington Metropolitan Area Transit Authority (WMATA) (\$1.5 million.) The total oversight program level of \$103.3 million will help FTA ensure that Federal funds are used efficiently and cost-effectively in accordance with applicable laws and regulations.

In order to enable FTA to conduct more comprehensive oversight of its programs in the future, FTA will expand the eligibility of funds to be used for oversight of all programs including the research and technology programs and non-traditional program review. FTA is proposing to amend Section 5327(c) of title 49, United States Code, to add the following take-downs to expand the Project Management Oversight Limitations:

- 1.0 percent of section 5307 – Urbanized Area Formula Grants
- 1.0 percent for section 5311 – Formula Grants for Other than Urbanized Area Formula Grants
- 1.0 percent of Washington Metropolitan Area Transit Authority

- 1.0 percent for section 5316 – Job Access and Reverse Commute

This amendment allows the funds to be used for contracts to oversee and conduct necessary enforcement activities involving all Chapter 53 program grants.

FTA will continue to provide project management of engineering aspects of transit projects including: project cost/schedule/safety, construction security. Financial management system reviews continue to focus on whether internal controls are sufficient to meet the Federal government standards.

**Federal Transit Administration
Oversight Program -- Section 5327(c) 49 U.S.C.
(\$000)**

Program	FY 2009 Enacted	FY 2010 Planned	FY 2011 Planned
Project & Financial Management Oversight	\$56,100	\$60,700	\$74,000
Safety Oversight	6,256	6,356	7,250
Procurement Oversight	3,250	3,250	4,130
Management Oversight	10,889	10,468	15,962
Transfer to the OIG	2,000	2,000	2,000
TOTAL	\$78,495	\$82,774	\$103,342

CAPITAL INVESTMENT GRANTS

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out section 5309 of title 49, United States Code, [~~\$2,000,000,000~~] *\$1,822,112,000*, to remain available until expended[, of which no less than \$200,000,000 is for section 5309(e) of such title]: *Provided*, That \$2,000,000 shall be transferred to the Department of Transportation Office of Inspector General from funds set aside for the execution of oversight contracts pursuant to section 5327(c) of title 49, United States Code, for costs associated with audits and investigations of transit-related issues, including reviews of new fixed guideway systems. (*Department of Transportation Appropriations Act, 2010.*)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
CAPITAL INVESTMENT GRANTS**

Program and Financing (in millions of dollars)

		2009	2010	2011
Identification code : 69-1134-0-1-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Capital Investment Grants.....	955	2,274	2,640
00.03	Lower Manhattan Recovery P.L. 107-206 .....	...	90	8
00.04	Capital Investment Grants, Recovery Act.....	468	277	3
09.00	Federal Emergency Management P.L. 107-206 Reimbursable [FEMA]	13	94	71
10.00	Total obligations.....	1,436	2,735	2,722
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	973	2,099	1,362
22.00	New budget authority (gross).....	2,557	1,998	1,820
22.10	Resources available from recoveries of			
23.90	Total budgetary resources available for obligation.....	3,530	4,097	3,182
23.95	Total new obligations.....	-1,436	-2,735	-2,722
24.40	Unobligated balance carried forward, end of year	2,094	1,362	460
New budget authority (gross), detail:				
Discretionary				
40.00	Appropriation.....	2,559	2,000	1,822
40.01	Appropriation, Recovery Act.....	750	...	
41.01	Transferred to other accounts [69-0130]	-2	-2	-2
70.00	Total new budget authority (gross).....	3,307	1,998	1,820
Change in obligated balances:				
72.40	Obligated balance, start of year.....	5,717	4,665	4,782
73.10	Total new obligations.....	1,436	2,735	2,722
73.20	Total outlays (gross).....	-2,483	-2,618	-2,424
73.45	Recoveries of prior year obligations.....	-5	...	...
74.40	Obligated balance, end of year.....	4,665	4,782	5,080
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	735	240	218
86.93	Outlays from discretionary balances.....	1,748	2,378	2,206
87.00	Total outlays (gross).....	2,483	2,618	2,424
Net budget authority and outlays:				
89.00	Budget authority.....	2,557	1,998	1,820
90.00	Outlays.....	2,483	2,618	2,424

CAPITAL INVESTMENT GRANTS

PROGRAM AND PERFORMANCE

In 2011, funding for the New Starts program, including Small Starts grants, is included in the Capital Investment Grants account. FTA's New Starts program is the Federal government's primary source for capital investment in transit infrastructure that is planned, constructed and operated by State and local government entities. These projects include heavy rail, light rail, commuter rail, bus rapid transit and streetcar systems that are implemented in communities across the country. New Starts and Small Starts projects are an important component of the Administration's objective to promote livable communities, improve mobility by implementing alternatives to automobile travel, and reduce the impact on the environment from auto emissions.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
CAPITAL INVESTMENT GRANTS**

Object Classification (in thousands of dollars)

Identification code : 69-1134-0-1-401		2009	2010	2011
		Actual	Est.	Est.
Direct obligations:				
11.11	Personnel compensation: Full-time permanent.....	1,137	1,128	1,173
25.2	Other Services.....	25,232	28,804	26,999
41.0	Grants, subsidies, and contributions.....	1,396,629	2,610,568	2,622,315
	Subtotal, obligations, Direct obligations.....	1,422,998	2,640,500	2,650,487
Reimbursable obligations:				
41.0	Grants, subsidies, and contributions.....	13,047	94,000	71,438
99.0	Subtotal, obligations, Reimbursable obligations.....	13,047	94,000	71,438
99.9	Total new obligations.....	1,436,045	2,734,500	2,721,925

Employment Summary

Identification code : 69-1134-0-1-401		2009	2010	2011
		Actual	Est.	Est.
Direct:				
	Total compensable workyears: Civilian full-time equivalent employment	6	9	9

CAPITAL INVESTMENT GRANTS
Summary by Program Activity
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

	FY 2009 ENACTED	FY 2010 ENACTED	FY 2011 REQUEST	CHANGE FY 2010 - FY 2011
Capital Investment Grants ^{1/2/}	\$1,809,250	\$2,000,000	\$1,822,112	-\$177,888
Capital Investment Grants, Recovery Act	<u>750,000</u>	--	--	--
Total-Capital Investment Grants	\$2,559,250	\$2,000,000	\$1,822,112	-\$177,888

1/ Includes Oversight provided under Title 49 U.S.C. 5327 (c)

2/ Does not reflect \$2,000,000 in funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General.

Program and Performance Statement:

This account provides the necessary resources to support Capital Investment Grant activities and helps achieve the Department’s performance goal of increasing transit ridership. The funding will support new fixed guideways and extensions for existing systems (New Starts), and smaller capital projects (Small Starts). Because of these targeted expenditures, funding for Capital Investment Grants plays a significant positive role in the impact of government spending by leveraging place-conscious planning and programming. New Starts and Small Starts projects help provide communities flexible transportation opportunities to shape their transportation infrastructure in a way that promotes livable communities and economic competitiveness. The resulting projects foster transit-oriented development, reduce emissions, and provide alternatives to automobile use.

Due to the complexity and size of New Starts projects, the delivery time for these projects can range from 6 -12 years. While the methodologies for justifying and rating these major transit investments continue to show incremental improvement, stakeholders have continued to raise questions on FTA’s decision-making process. A major area of concern has been the practice initiated in a March 9, 2005 Dear Colleague letter that announced that, in general, the Administration would limit its New Starts funding recommendations to projects that achieved a “Medium” or higher rating for cost-effectiveness. On January 13, 2010, Secretary Ray LaHood, in conjunction with FTA Administrator Peter Rogoff, announced that the practice described in that letter is no longer in effect. Applicant projects will now be evaluated and rated on the criteria identified in SAFETEA-LU. A project that achieves a “Medium” rating overall, as required by statute, need not achieve a “Medium” or higher cost-effectiveness rating in order to be eligible for consideration for a recommendation for a Full Funding Grant Agreement (FFGA) or a Project Construction Grant Agreement (PCGA).

A second area of concern has been whether the FTA evaluation and rating process considers the wide range of benefits that New Starts and Small Starts projects offer their communities. FTA will soon put out a rulemaking for public comment that will more fully and accurately reflect the benefits that result from major transit investments, including a revised cost-effectiveness measure.

CAPITAL INVESTMENT GRANTS
Summary Analysis of Change from FY 2010 to FY 2011
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

Item	Change From FY 2010 to FY 2011	FY 2011 PC&B By Program	FY 2011 FTEs By Program	FY 2011 Contract Expenses	Total
FY 2010 Base: Enacted					\$2,000,000
Capital Investment Grants, Obligations, Limitations, and Exempt Obligations					
Adjustment to Base					
Subtotal, Adjustments to Base	(177,888)				(177,888)
New or Expanded Programs					
Subtotal, New or Expanded Program Increases/Decreases					
New Starts/Small Starts					
Total FY 2011 Request					\$1,822,112

Detailed Justification for Capital Investment Grants – New Starts:

New Starts	FY 2011 Request: \$1,559,610,717
Overview:	
<p>In FY 2011, \$1,559.6 million is proposed for capital investment grants for projects that have a capital cost greater than \$250 million or that request a New Starts share greater than \$75,000,000 under Section 5309 and for project oversight. These funds are requested to honor existing and recommended existing Full Funding Grant Agreements (FFGAs) and projects that are expected to be ready for a funding commitment in FY 2011.</p> <p>FTA is currently analyzing its procedures and practices for assessing and advancing major capital investments through project development and for receipt of an FFGA in order to increase the effectiveness of the Capital Investment Grants programs.</p> <p>The goals and objectives of the New Starts program include:</p> <ul style="list-style-type: none"> • Investing in new transit infrastructure to expand the coverage of transit service that is accessible and convenient. • Ensuring that the most meritorious transit projects receive Federal financial support. • Investigating new methods of contracting for New Starts projects that integrate risk-sharing and streamline project development, engineering and construction. • Capitalizing on the “joint development” authority incorporated in 	

<p>49 USC section 5302(a)(1)(G).</p> <ul style="list-style-type: none"> • Encouraging transit-oriented development and considering the wide range of benefits from transit to foster more livable communities.
<p>FY 2010 Base: Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.</p>
<p>Anticipated FY 2010 Accomplishments:</p> <ul style="list-style-type: none"> • Of the ten FFGAs recommended for funding in the FY 2011 budget, three are expected to be signed in FY 2010. Eight existing FFGAs are open for service, or anticipated to open for operation in FY 2010. In addition, FTA expects to approve approximately seven to ten New Starts projects into preliminary engineering, approximately seven to ten projects into final design, and approximately five to ten Small Starts projects into project development. • FTA will conduct multiple workshops and training courses throughout FY 2010. Other meetings with representatives of the industry will be held as requested. • In FY 2010, FTA anticipates seeking public comment on revised methods for evaluating and rating the economic development and environmental benefits criteria. • In December 2009, The Secretary announced the availability of \$130 million for streetcars and other urban circulator systems. Priority will be given to projects that connect destinations and foster the redevelopment of communities into walkable, mixed use, high-density environments.
<p>FY 2011 Budget Request: The budget will help fund New Starts and Small Starts projects that when complete, will help improve mobility, provide alternatives to congested highways, help foster livable communities, reduce greenhouse gases and energy use, and promote new economic activity throughout the Nation.</p> <p><i>Effectiveness and Efficiency</i> Depending on the complexity and size of New Starts and Small Starts projects, the delivery time for these projects can range from 6 to 12 years from initial planning through design and construction. While the methodologies for justifying and rating these major transit investments are sound, stakeholders have raised questions on FTA’s project development, evaluation, and rating process. To address these concerns, FTA undertook extensive internal analysis of its procedures and practices. FTA also engaged an international business and management consulting firm to review its processes as well as FTA’s organizational structure for managing the programs. The completed report was organized around four general themes: streamlining the project development</p>

and evaluations processes; process management; FTA's organizational structure; and improved communications. FTA has already implemented a large number of procedural changes from its own analysis, as well as the recommendations from the study, and continues to look for ways to further enable the New Starts and Small Starts processes to move more quickly and smoothly.

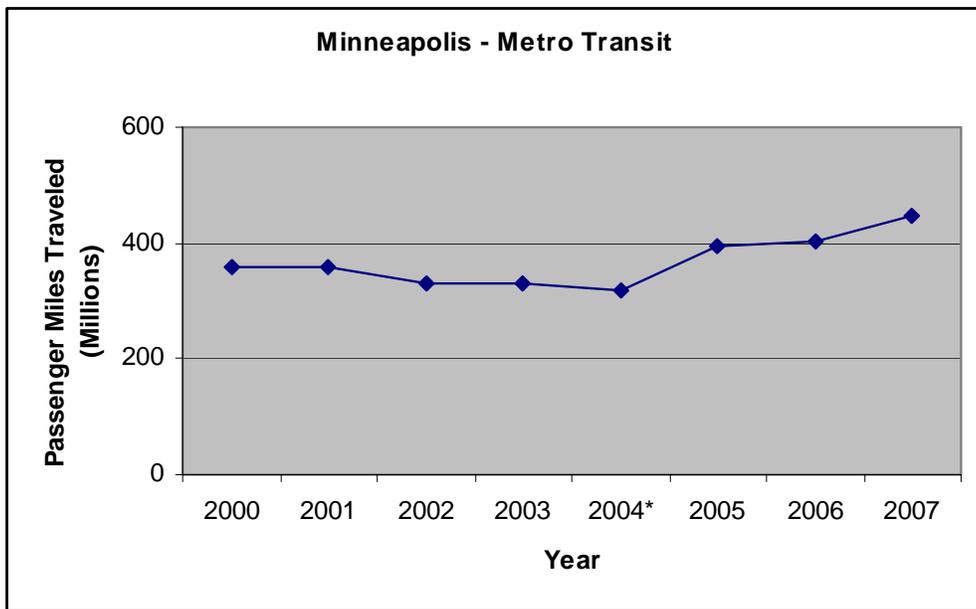
In July and September 2009, FTA implemented new policy guidance giving all of the evaluation criteria comparable weights in the rating process. FTA also streamlined internal practices and administrative procedures to allow project sponsors to move ahead with work using their own funds while maintaining eligibility for future federal reimbursement. This will help ensure that the federal process does not cause delays, and will assist projects in moving ahead in a timely manner. FTA also recently announced that it will be undertaking a rulemaking with public comment in the near future to better capture a wider range of benefits of transit projects. FTA will continue to work to ensure that its processes foster rather than hinder the benefits of transit for communities in a timely manner.

FTA remains committed to ensuring the completion of projects on time and on budget, and will continue to assist transit agencies through the use of Program Management Oversight (PMO) and Financial Management Oversight (FMO) contractors in:

- Developing disciplined approaches to project cost and ridership estimates
- Focusing on best practices and better metrics
- Emphasizing risk assessment practices
- Evaluating the reasonableness of financial projections and the continued ability to operate and maintain the existing system as well as the proposed investment

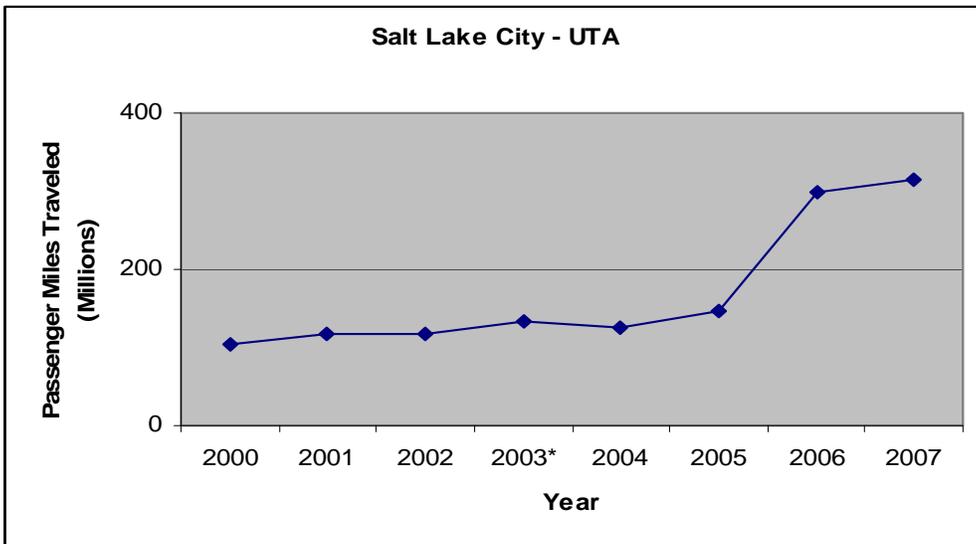
Performance Measures:

Transit Ridership - Rated by the PART analysis for the FY 2005 budget as effective, the New Starts program and the projects it funds are helping FTA and the Department achieve their performance goal of increasing transit ridership and meeting current ridership demands. Past analysis has shown an increased annual transit ridership exceeding 2.0 percent for selected Urbanized Areas (UZAs) after the opening of passenger service of New Starts projects within those UZAs. More recently, the completed New Starts projects from Dallas, Minneapolis, and Salt Lake City were examined for their impact on surrounding UZAs as follows:



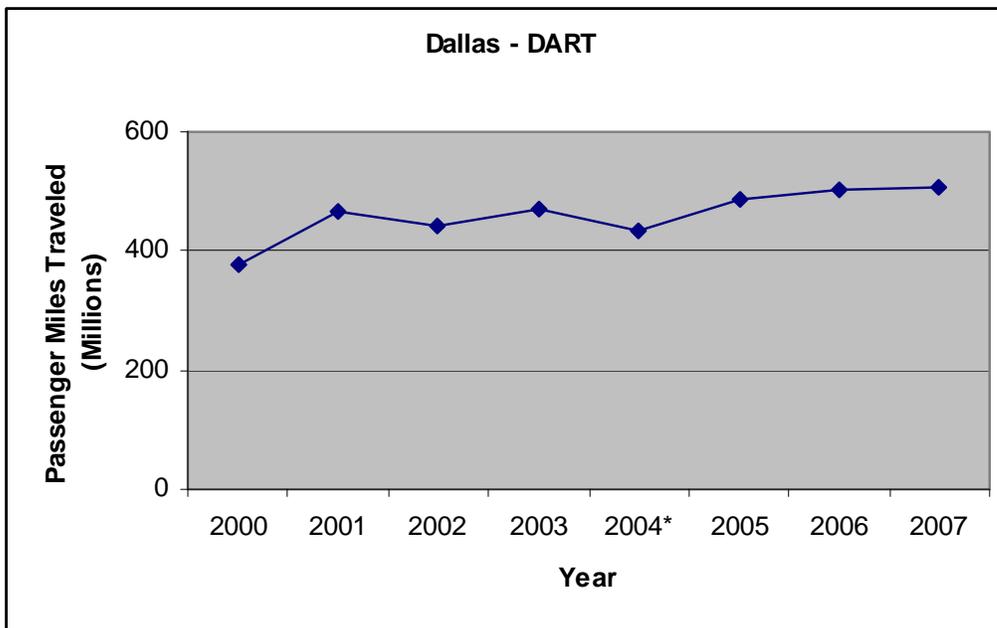
The graphic above illustrates transit ridership for the UZA of Minneapolis—St. Paul, MN.

* Light rail was opened for passenger service in December 2004. A 19% increase in ridership occurred for this UZA between 2004 and 2005, and a 12% increase in ridership occurred between 2005 and 2007.



The graphic above illustrates transit ridership for the UZA of Salt Lake City, UT.

*Light rail was opened for passenger service in June 1996 and commuter rail was opened for passenger service in September 2003. A 7% decrease in ridership occurred for this UZA between 2003 and 2004, and a 60% increase in ridership occurred between 2004 and 2007.



The graph above illustrates transit ridership for the UZA of Dallas-Fort Worth-Arlington, TX.

*An extension of light rail service to an existing system was opened for passengers in late December 2004. A 10% increase in ridership occurred for this UZA between 2004 and 2005, and a 4% increase in ridership occurred between 2004 and 2007.

This positive trend in transit ridership, apparently associated with New Starts projects, provides some evidence that the New Starts program is helping achieve the annual FTA performance goal of ridership through increased access to transit options. However, the insights gained from such an analysis are limited, because they do not take into account other changes in and outside the transportation system, which may have contributed to ridership growth.

The requirement for a Before and After Study of projects that receive capital investment grants is helping FTA meet its responsibility to assess the impact of the New Starts program in accordance with the Government Performance and Results Act (GPRA) of 1993. Projects affected by the requirement since 2001 are collecting their baseline ridership data in the corridor where the proposed project is located against which to measure future ridership changes. This data will be invaluable in both demonstrating the success of the New Starts projects and the accuracy of the forecasts made to justify the investment in the projects. Summary studies are prepared two years after a project opens for revenue operations and information on additional projects will be available in the upcoming year.

The first Before and After Study from a transit agency was provided by the Utah Transit Authority (UTA) in Salt Lake City during FY 2007. This Before and After Study demonstrated that while UTA's Light Rail University Line - Medical Center extension underwent a number of scope changes throughout the planning process, once the final length and alignment had been decided, the actual costs came in \$6 million under budget and the line was able to open over a year ahead of schedule. The number of weekday

trips on the University line increased from 2,026 in 2002 to 5,210 trips in 2005 after the Medical Center extension was opened, an increase of over 150 percent.

The President's New Starts Funding Recommendations - The President's funding recommendations for New Starts FFGA's are the result of a comprehensive project evaluation and rating process. SAFETEA-LU requires FTA to evaluate each proposed New Starts project according to a series of criteria for project justification and local financial commitment. As proposed projects proceed through the stages of the planning and project development process, they are evaluated against the full range of statutory criteria.

SAFETEA-LU established a five-level scale for rating New Starts and Small Starts of "High," "Medium-High," "Medium," "Medium-Low," and "Low," and further provided that only those projects which receive an overall rating of *Medium* or higher may be recommended for funding. It must be noted that project ratings are intended only to reflect the "worthiness" of each project, not the "readiness" of a project for an FFGA, PCGA, or any other funding recommendation. Proposed projects that are rated *Medium* or higher will be eligible for multi-year funding recommendations in the President's budget if funding is available and the candidate project's proposed scope, cost estimate, and budget are considered reliable.

FEDERAL TRANSIT ADMINISTRATION
Proposed FY 2011 Section 5309 New Starts and Small Starts Projects

			FY 2011 Pres. Bud.
A. Existing New Starts Full Funding Grant Agreements			
CO	Denver, West Corridor LRT	Denver	\$40,179,000
NY	New York, Long Island Rail Road East Side Access	New York	\$215,000,000
NY	New York, Second Avenue Subway Phase I	New York	\$197,182,000
TX	Dallas, Northwest/Southeast LRT MOS	Dallas	\$86,249,717
UT	Salt Lake City, Mid Jordan LRT	Salt Lake City	\$100,000,000
UT	Salt Lake City, Weber County to Salt Lake City Commuter Rail	Salt Lake City	\$80,000,000
VA	Northern Virginia, Dulles Corridor Metrorail Project Ext. to Wiehle Ave.	Washington	\$96,000,000
WA	Seattle, University Link LRT Extension	Seattle	\$110,000,000
Subtotal Existing FFGAs			\$924,610,717
B. Pending Full Funding Grant Agreements – Projects First Recommended for Funding in FY 2010			
FL	Orlando, Central Florida Commuter Rail Transit -- Initial Operating Segment	Orlando	\$40,000,000
NJ	Northern New Jersey, Access to the Region's Core	North. New Jersey	\$200,000,000
TX	Houston, North Corridor LRT	Houston	\$75,000,000
TX	Houston, Southeast Corridor LRT	Houston	\$75,000,000
Subtotal Pending FFGAs			\$390,000,000
C. New Full Funding Grant Agreement Funding Recommendations			
CA	San Francisco, Central Subway LRT	San Francisco	\$20,000,000
CO	Denver, East Corridor	Denver	\$40,000,000
CO	Denver, Gold Line	Denver	\$40,000,000
CT	Hartford, New Britain - Hartford Busway	Hartford	\$45,000,000
HI	Honolulu, Rail Transit Project -- East Kapolei to Ala Moana Center	Honolulu	\$55,000,000
MN	St. Paul-Minneapolis, Central Corridor LRT	St. Pl.-Minneapolis	\$45,000,000
Subtotal New FFGA Funding Recommendations			\$245,000,000
D. Small Starts Funding Recommendations			
CA	Oakland, East Bay BRT	Oakland	\$15,000,000
CA	Riverside, Perris Valley Line	Riverside	\$23,490,000
CA	San Bernardino, E Street Corridor sbX BRT	San Bernardino	\$42,630,000
CA	San Francisco, Van Ness Avenue BRT	San Francisco	\$15,000,000
CO	Fort Collins, Mason Corridor BRT	Fort Collins	\$5,450,573
CO	Roaring Fork Valley, BRT Project	Roaring Fork	\$24,163,000
NY	New York City, Nostrand Ave BRT	New York	\$28,398,554
TX	Austin, MetroRapid BRT	Austin	\$24,229,796
WA	King County, West Seattle BRT	Seattle	\$21,274,000
Subtotal Small Starts Funding Recommendations			\$199,635,923
E. Other New Starts/Small Starts Projects			\$44,644,240
F. Oversight (1%)			\$18,221,120
GRAND TOTAL			\$1,822,112,000

Explanation of Funding Changes for Capital Investment Grants- New Starts:

New Starts	-\$90,665,538
Overview:	
<p>The FY 2011 funding level for New Starts is sufficient to honor all existing and pending full funding grant agreements (FFGAs) in the program and to also provide unallocated resources to permit FTA to recommend funding for additional FFGAs, potentially advancing the New Starts pipeline to realize benefits sooner.</p>	
New Starts:	
<p>Funding the New Starts program at the FY 2011 budget request will ensure that the Federal Government fulfills its contractual commitment as outlined in the existing Full Funding Grant Agreements (FFGAs) that have been signed with local communities. FFGAs represent a firm commitment from the Federal Government to provide the amount of New Starts funds specified, subject to annual appropriations from Congress. Under-funding FFGAs has a negative impact and ripple effect on the ability of local officials and project sponsors to keep project schedules on time and to control costs. Not only can funding shortages necessitate stretching out project construction schedules, with inevitable cost increases to the project, but they also create cash flow shortfalls that must be made up through short-term borrowing.</p> <p>In the past, grantees have used their FFGA to obtain letters-of-credit at favorable rates. It should be noted that lending institutions review these commitments closely and monitor the level of appropriations versus the Federal commitments detailed in FFGAs. If lending institutions determine that FFGAs are no longer a stable source of Federal funding for projects, they may refuse to accept FFGAs as backing for loans. Losing this credit resource will require replacement either through committing additional bonding capacity, or through short-term borrowing at a much higher rate.</p>	

Detailed Justification for Capital Investment Grants -- Small Starts:

Small Starts	FY 2011 Request: \$199,635,923
Overview:	
<p>In FY 2011, \$199.6 million is proposed for small starts projects. The current criteria limits sponsors to a maximum Small Starts share of no more than \$75 million with a total capital cost of less than \$250 million as defined under Section 5309. These projects can be new fixed guideway systems, extensions to existing fixed guideway systems, and substantial corridor-based bus improvements. Small Starts have fewer statutory criteria upon which they are to be evaluated and rated, and have a streamlined project development process so that these smaller scale projects can be implemented more quickly.</p>	

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

- FTA awarded the second Small Starts Project Construction Grant Agreement (PCGA) in October 2009 for the Portland Streetcar Loop project. The initial PCGA, awarded to the Pioneer Parkway project in Springfield, Oregon, occurred in FY 2009. Other Small Starts projects have received construction funding through single-year grants.
- In FY 2010 FTA expects to award PCGAs or grants for construction to approximately six Small Starts projects.

FY 2011 Budget Request:

For FY 2011, this budget includes \$199.7 million for Small Starts. Funding the Small Starts program at the FY 2011 request will ensure that FTA will be able to enter into Project Construction Grant Agreements or make single-year grant awards, as applicable, as soon as the proposed Small Starts projects are ready to begin construction.

Explanation of Funding Changes for Capital Investment Grants – Small Starts:

Small Starts	\$27,912,179
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Overview:

The FY 2011 funding level recommended for Small Starts is sufficient to honor all Small Starts projects that are expected to be ready for construction funding during FY 2011.

Small Starts:

Funding the Small Starts program at the FY 2011 request will ensure that FTA will be able to enter into Project Construction Grant Agreements or make single-year grant awards, as applicable, as soon as the proposed Small Starts projects are ready to begin construction. Small Starts projects are generally proposed to be funded under a multi-year Project Construction Grant Agreement (PCGA). However, under the current policy if a project requests less than \$25 million in Small Starts funding or has received its full appropriations, FTA will award single capital grants rather than a PCCA.

Detailed Justification for Other New Starts/Small Starts Projects:

Other New Starts/Small Starts Projects	FY 2011 Request: \$44,644,240
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Overview:

In FY 2011, \$44.6 million is proposed for unallocated resources for “Other New Starts/Small Starts Projects.” The request allows for potential additional projects to receive funding commitments should they become ready during FY2011, providing more new transit service through new construction and revenue operation openings sooner than would otherwise be possible.

By reserving funding for additional, but unspecified New or Small Starts projects in FY 2011, FTA recognizes that a project's advancement does not necessarily coincide with the chronology of the Federal budget process. Project sponsors can expedite project development as they overcome project cost, scope, and financing uncertainties. These unallocated funds provide FTA with the budget authority to recommend the funding of additional qualified projects as soon as they are ready.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Detailed Justification for Oversight Program:

Oversight Program	FY 2011 Request: \$18,221,120
<p>Overview: The Oversight Program, authorized under 49 U.S.C. 5327, is a critical element of the FTA's effort to ensure that Federal funds are utilized in accordance with applicable laws and regulations. Set-aside funding for the FTA Oversight Program was initially authorized in 1987 to provide FTA with an ability to better oversee the implementation of major capital projects. Recognizing that Federal oversight of the transit program was needed not only for major capital projects, but other program areas as well, the funding authority was expanded in FY 1990 to include "...safety, procurement, management and financial compliance reviews, and audits of any recipient of funds..." under the Federal transit assistance programs.</p> <p>TEA-21, section 3024, confirmed the importance of the oversight program, extending its funding to include the authority, "...to provide technical assistance to correct deficiencies identified in compliance reviews and audits carried out under this section." Additionally, SAFETEA-LU provided for an expanded program of New Starts projects that required additional oversight resources.</p> <p>FTA's grants management oversight program consists of a number of different types of reviews, including project and financial management oversight of major capital investment projects, as well as safety and security, procurement, and management oversight of all FTA grantees.</p>	
<p>FY 2010 Base:</p>	
<p>Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.</p>	
<p>Anticipated FY 2010 Accomplishments:</p>	
<p><i>Project Management Oversight</i> – The PMO program will provide additional engineering support in the form of project capacity and cost analysis, real estate and uniform act conformance, risk assessments of project cost/schedule/safety, construction security, and change order reviews, as well as Before and After Study products to New Starts projects.</p>	

**[GRANTS TO THE] WASHINGTON METROPOLITAN AREA TRANSIT
AUTHORITY**

For grants to the Washington Metropolitan Area Transit Authority as authorized under section 601 of division B of Public Law 110-432, \$150,000,000, to remain available until expended: *Provided*, That the Secretary shall approve grants for capital and preventive maintenance expenditures for the Washington Metropolitan Area Transit Authority only after receiving and reviewing a request for each specific project: *Provided further*, That prior to approving such grants, the Secretary shall determine that the Washington Metropolitan Area Transit Authority has placed the highest priority on those investments that will improve the safety of the system[, including but not limited to fixing the track signal system, replacing the 1000 series cars, installing guarded turnouts, buying equipment for wayside worker protection, and installing rollback protection on cars that are not equipped with this safety feature]. (*Department of Transportation Appropriations Act, 2010.*)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

Program and Financing (in millions of dollars)

Identification code : 69-1128-0-1-40	2009 Actual	2010 Est.	2011 Est.
Obligations by program activity:			
01.00	Washington Metro.....	130	170
10.00	Total new obligations (object class 41.0).....	130	170
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	1	21
22.00	New budget authority (gross).....	150	150
22.10	Resources available from recoveries of prior year obligations.....	1	...
23.90	Total budgetary resources available for obligation.....	1	151
23.95	Total new obligations.....	-130	-170
24.40	Unobligated balance carried forward, end of year.....	2	21
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation.....	150	150
Change in obligated balances:			
72.40	Obligated balance, start of year.....	-1	96
73.10	Total new obligations.....	130	170
73.20	Total outlays (gross).....	-33	-78
73.45	Recoveries of prior year obligations.....	-1	...
74.40	Obligated balance, end of year.....	-1	96
Outlays (gross), detail			
86.90	Outlays from new discretionary authority	33	33
86.93	Outlays from discretionary balances.....	...	45
87.00	Total outlays (gross).....	33	78
Net budget authority and outlays:			
89.00	Budget authority.....	150	150
90.00	Outlays.....	33	78

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

PROGRAM AND PERFORMANCE

The Federal Rail Safety Improvements Act, 2008, (Pub. Law 110-432, Title VI, section 601), provides authorization for capital and preventive maintenance projects for the Washington Metropolitan Area Transit Authority (WMATA). Funding will help WMATA address its maintenance backlog and support capital investments to improve the safety and reliability of service and to expand existing system capacity to meet growing demand. The Secretary will use his authority to approve grants under this program to ensure that available funds first address WMATA's most critical safety needs.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
Summary by Program Activity
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

	FY 2009 ENACTED	FY 2010 ENACTED	FY 2011 REQUEST	Change FY 2010- FY 2011
Washington Metropolitan Areas Transit Authority	---	150,000	150,000	0
Total – WMATA	---	\$150,000	\$150,000	0

Program and Performance Statement

This account provides resources to support the Washington Metropolitan Area Transit Authority (WMATA) capital investment and rehabilitation activities. Funding in this account supports FTA’s priority of maintaining transit assets in a “State of Good Repair.”

The Federal Rail Safety Improvements Act, 2008, (Pub. Law 110-432, Title VI, section 601), authorizes capital and preventive maintenance funding for the Washington Metropolitan Area Transit Authority. The Act specifies \$1.5 billion over 10-years (\$150 million per year) and the conditions that must be met to receive funding.

The Act stipulates that the Secretary of Transportation is authorized to make grants to the WMATA in addition to the contributions authorized under sections 3, 14, and 17 of the National Capital Transportation Act of 1969 (sec. 9-1101.01 et seq., D.C. Official Code), for the purpose of financing, in part, the capital and preventive maintenance projects included in the Capital Improvement Program approved by the WMATA Board of Directors.

Title VI requires that the amount appropriated is subject to the requirements applicable to capital projects for which funds are provided under chapter 53 of title 49, United States Code, except to the extent that the Secretary of Transportation determines otherwise.

Funds totaling \$150 million in this budget will help WMATA maintain its existing system in a "State of Good Repair," improve the safety and reliability of service, and expand system capacity to meet growing demand. The Secretary will use his authority to approve grants under this program to ensure that available funds first address WMATA’s most critical safety needs.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
Summary Analysis of Change from FY 2010 to FY 2011
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

Item	Change From FY 2010 to 2011	FY 2011 PC&B By Program	FY 2011 FTEs By Program	FY 2008 Contract Expenses	Total
FY 2010 Base: Enacted					\$150,000
Adjustment to Base					
Subtotal, Adjustments to Base					
New or Expanded Programs					
Subtotal, New or Expanded Program Increases/Decreases	0				0
Total FY 2011 Request					\$150,000

Detailed Justification for: Washington Metropolitan Area Transit Authority:

Washington Metropolitan Area Transit Authority FY 2011 Request: \$150,000,000

Overview:

The Washington Metropolitan Area Transit Authority (WMATA) developed its FY 2011 - FY 2020 Capital Needs Inventory to address its performance needs (investments to maintain the existing system in a "State of Good Repair" and improve the safety and reliability of service), demand needs (investments to expand system capacity to meet growing demand), and customer needs (investments to improve infrastructure, service, and business practices to provide more cost-effective, quality service.) The \$11.3 billion Capital Needs Inventory was presented to the WMATA Board of Directors on September 25, 2008.

The Capital Needs Inventory was based on outreach to each department, life-cycle costs, current conditions, and future demand. The purpose of this agency-wide, "bottom-up" inventory of WMATA's capital needs is to serve as the foundation for the next capital funding arrangement. The Capital Needs Inventory is the first step in a strategic capital planning process to be implemented at WMATA. Next, WMATA will prioritize the programs listed in the Capital Needs Inventory based on agency goals and jurisdictional input.

The Federal Rail Safety Improvements Act, 2008, (Pub. Law 110-432, Title VI, section 601), provides authorization for capital and preventive maintenance projects for the WMATA. The Act specifies \$1.5 billion over 10-years (\$150 million per year) and the conditions that must be met to receive funding.

The Act requires that each Federal grant shall cover no more than 50 percent of the net project cost of the project involved, and that the other 50 percent shall be provided in cash from sources other than Federal funds or revenues from the operation of public mass transportation systems. Federal grants are subject to the terms and conditions of the amendment to the Compact required in the Act and Federal grants may be used only for the maintenance and upkeep of WMATA's systems as of the date of enactment of the Act, and may not be used to increase the mileage of the rail system.

Title VI of the Federal Rail Safety Improvements Act, 2008 amends the Compact and requires expanded communication service as follows.

- Amendments to Compact -- amounts may be provided to the Transit Authority pursuant to the authorization under this section until the Transit Authority notifies the Secretary of Transportation that each of the following amendments to the Compact (and any further amendments which may be required to implement such amendments) have taken effect:
 - (1)(A) An amendment requiring that all payments by the local signatory governments for the Transit Authority for the purpose of matching any Federal funds appropriated in any given year authorized under subsection (a) for the cost of operating and maintaining the adopted regional system are made from amounts derived from dedicated funding sources.
 - (B) For purposes of this paragraph, the term "dedicated funding source" means any source of funding which is earmarked or required under State or local law to be used to match Federal appropriations authorized under this division for payments to the Transit Authority.
 - (2) An amendment establishing an Office of the Inspector General of the Transit Authority.
 - (3) An amendment expanding the Board of Directors of the Transit Authority to include 4 additional Directors appointed by the Administrator of General Services, of whom 2 shall be nonvoting and 2 shall be voting, and requiring one of the voting members so appointed to be a regular passenger and customer of the bus or rail service of the Transit Authority.

The compact required under the Federal Rail Safety Improvements Act, 2008, has been established and each of the jurisdictions -- Virginia, Maryland and the District of Columbia -- have committed to providing \$50 million each in local matching funds.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

- The compact required under the Federal Rail Safety Improvements Act, 2008 has been established and Virginia, Maryland and the District of Columbia have committed to providing \$50 million each in local matching funds.
- In response to the tragic crash of a WMATA rail train on June 22, 2009, Congress

in the FY 2010 Consolidated Appropriations Act directed WMATA to prioritize funds to first address the immediate safety shortfalls identified by the National Transportation Safety Board (NTSB). FTA is working with WMATA to address this prioritization as the NTSB continues its investigation into the cause of the crash.

- On July 13, 2009, the NTSB sent an urgent recommendation letter to the Administrator of the Federal Transit Administration outlining the details of the June 22, 2009, WMATA accident. The letter states that “The NTSB is concerned that WMATA’s train control system failed to prevent this collision.” The NTSB concludes that WMATA’s train control system did not have adequate safety redundancy that would include timely alerts of system failures and compensation for intermittent failures and other anomalies in train detection.
- NTSB followed up with an urgent recommendation to the FTA to:
“Advise all rail transit operators that have train control systems capable of monitoring train movements to determine whether their systems have adequate safety redundancy....”
- On July 13, 2009, the FTA Administrator sent a letter to all rail transit operators following-up on this recommendation.

FY 2011 Budget Request:

FTA requests \$150 million as the second installment in this 10 year authorization of \$150 million per year to help WMATA address its performance needs (investments to maintain existing system in a "State of Good Repair" and improve the safety and reliability of service), demand needs (investments to expand system capacity to meet growing demand), and safety needs (investments to improve infrastructure.) The Secretary will use his authority to approve grants under this program to ensure that available funds first address WMATA’s most critical safety needs.

**[GRANTS FOR ENERGY EFFICIENCY AND GREENHOUSE GAS
REDUCTIONS]**

[For grants to public transit agencies for capital investments that will reduce the energy consumption or greenhouse gas emissions of their public transportation systems, \$75,000,000, to remain available through September 30, 2012: *Provided*, That priority shall be given to projects based on the total energy savings that are projected to result from the investments, and the projected energy savings as a percentage of the total energy usage of the public transit agency: *Provided further*, That the Secretary shall issue public criteria on which to base the competition for any grants awarded under this heading no sooner than 90 days after the enactment of this Act, require applications for funding provided under this heading to be submitted no sooner than 120 days after the publication of such criteria, and announce all projects selected to be funded from funds provided under this heading no sooner than September 15, 2010.] (*Department of Transportation Appropriations Act, 2010.*)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
GRANTS FOR ENERGY EFFICIENCY AND GREENHOUSE GAS REDUCTIONS**

Program and Financing (in millions of dollars)

Identification code : 69-1131-0-1-401	2009 Actual	2010 Est.	2011 Est.
Obligations by program activity:			
01.00	Energy and Greenhouse Gas Reductions.....	50	25
10.00	Total new obligations (object class 41.0).....	50	25
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year .....	...	25
22.00	New budget authority (gross).....	75	...
23.90	Total budgetary resources available for obligation.....	75	25
23.95	Total new obligations.....	-50	-25
24.40	Unobligated balance carried forward, end of year.....	25	...
New budget authority (gross), detail:			
40.00	Discretionary Appropriation.....	75	...
Change in obligated balances:			
72.40	Obligated balance, start of year.....	...	50
73.10	Total new obligations.....	50	25
73.20	Total outlays (gross).....	...	-11
74.40	Obligated balance, end of year.....	50	64
Outlays (gross), detail			
86.90	Outlays from new discretionary authority	...	...
86.93	Outlays from discretionary balances.....	...	11
Net budget authority and outlays:			
89.00	Budget authority.....	75	...
90.00	Outlays.....	...	11

GRANTS FOR ENERGY EFFICIENCY AND GREENHOUSE GAS REDUCTION

PROGRAM AND PERFORMANCE

In 2011, funding for grants related to energy efficiency and greenhouse gas reduction activities will be funded in a new account with a proposed transfer of contract authority from the Transit Formula Grants account.

RAIL TRANSIT SAFETY OVERSIGHT

For necessary expenses to carry out rail transit safety oversight activities authorized under 49 U.S.C. 5329, \$24,139,000, to remain available until September 30, 2013.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
RAIL TRANSIT SAFETY OVERSIGHT PROGRAM**

Program and Financing (in millions of dollars)

Identification code : 69-2808-0-1-401	2009 Actual	2010 Est.	2011 Est.
Obligations by program activity:			
01.00	24
10.00	24
Budgetary resources available for obligation:			
22.00	24
23.95	-24
24.40
New budget authority (gross), detail:			
40.00	24
Change in obligated balances:			
72.40
73.10	24
73.20	-16
74.40	8
Outlays (gross), detail			
86.90	16
86.93
87.00	16
Offsets:			
88.00
Net budget authority and outlays:			
89.00	24
90.00	16

RAIL TRANSIT SAFETY OVERSIGHT PROGRAM

PROGRAM AND PERFORMANCE

For 2011, the FTA will fund activities embodied in the Administration's rail transit safety legislation, the Public Transportation Act of 2009. The Administration's legislative proposal was transmitted to Congress on December 7, 2009 and would strengthen and expand federal regulatory oversight of rail-transit safety. Funds under this heading will allow state rail oversight functions to be strengthened to enforce the new regulations and meet federal safety standards. In addition, federal and state teams will have the power to conduct investigations and audits identifying unsafe vehicles, equipment, control systems and operating practices.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
RAIL TRANSIT SAFETY OVERSIGHT PROGRAM**

Object Classification (in thousands of dollars)

		2009	2010	2011
Identification code : 69-2808-0-1-401		Actual	Est.	Est.
Direct obligations:				
11.11	Personnel compensation: Full-time permanent.....	...	...	7,923
14.10	Grants, subsidies and contributions.....	...	...	16,216

99.99	Total new obligations.....	...	...	24,139

Employment Summary

		2009	2010	2011
Identification code : 69-2808-0-1-401		Actual	Est.	Est.
Direct:				
1001	Civil full-time equivalent employment.....	...	...	100

RAIL TRANSIT SAFETY OVERSIGHT PROGRAM
Summary by Program Activity
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

	FY 2009 ENACTED	FY 2010 ENACTED	FY 2011 REQUEST	CHANGE FY 2010- FY 2011
Rail Transit Safety Oversight Program	---	---	24,139	24,139
Total – State Oversight Inspectors and State Grants FTE (Direct and State Funded)	---	---	\$24,139 100	\$24,139 100

Program and Performance Statement

There is considerable concern nationwide regarding rail transit safety. Most recently rail transit systems in Boston, San Francisco and Washington, DC, have experienced train-to-train collisions killing 9 Washington DC Metro riders, injuring 130 others, and resulting in millions of dollars in property damage.

Secretary LaHood has reviewed the existing legal authorities, and believes that the status quo, with its two distinct systems of uneven rail safety oversight, is in need of reform. Secretary LaHood has directed the Deputy Secretary to take a fresh look at how the Federal government provides oversight for transit safety. To that end, the Deputy Secretary called together a working group to identify and consider alternative approaches to effectively address what we consider a gap in Federal safety oversight. The current State Safety Oversight (SSO) structure (with a few exceptions) lacks sufficient authority to provide for a uniform approach to transit system safety. The working group, in concert the Secretary’s Safety Council and other safety officials and experts within the Department developed options for transit safety reforms.

In 2011, the FTA will fund activities that resulted from this overall review and are embodied in the Administration’s rail transit safety legislation, the “Public Transportation Safety Program Act of 2009.” The Administration’s legislative proposal was transmitted to Congress on December 7, 2009 and would strengthen and expand federal regulatory oversight of rail-transit safety. Funds under this heading will allow state rail oversight functions to be strengthened to implement the new authority. In addition, Federal and state teams will be able to conduct investigations and audits identifying unsafe vehicles, equipment, control systems and operating practices.

RAIL TRANSIT SAFETY OVERSIGHT PROGRAM
Summary Analysis of Change from FY 2010 to FY 2011
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

Item	Change From FY 2010 to 2011	FY 2011 PC&B By Program	FY 2011 FTEs By Program	FY 2011 Contract Expenses	Total
FY 2010 Base: Enacted					\$0
Adjustment to Base					
Subtotal, Adjustments to Base					
New or Expanded Programs					
Rail Transit Safety Oversight Program 24,1	39				
Subtotal, New or Expanded Program Increases/Decreases					\$24,139
Total FY 2011 Request					\$24,139

Detailed Justification for Rail Transit Safety Oversight Program:

Rail Transit Safety Oversight Program **FY 2011 Request: \$24,139,000**

Overview:

FTA's role in transit rail safety is extremely limited as a matter of Federal law. Our nation's rail transit systems operate under two very different Federal safety regimes. Some FTA funded rail transit systems are governed by the Federal Railroad Administration (FRA) safety regulations while others are governed by the FTA State Safety Oversight program. For example, commuter rail operations on the general system of railroads like Virginia Railway Express, Chicago's METRA system, and the Puget Sound Sounder system fall under FRA's safety regulatory system that includes national mandatory safety standards and on-site spot inspections and audits by Federal technical specialists and inspectors with backgrounds in train control, track, operations and other disciplines. FRA is also empowered to dictate operating practices and assess fines on these transit operators for any deficiencies found. On the other hand, for rail systems not subject to FRA oversight, such as the Washington Metropolitan Area Transit Authority (WMATA), the New York City subway system, and Boston's "T" system, the State is the lead for oversight and require those systems to stand up a safety program. The State is then expected to monitor the transit system's implementation of its safety program and FTA's role is to set minimum requirements for States and to monitor the States' implementation

activities under current law. FTA is prohibited by law from establishing national safety standards, requiring Federal inspections, or dictating operating practices.

Secretary LaHood has reviewed the existing legal authorities, and believes that the status quo, with its two distinct and uneven systems of rail safety oversight, is in need of reform. Secretary LaHood has directed FTA to take a fresh look at how the Federal government provides oversight for transit safety. To that end, the Deputy Secretary called together a working group to identify and consider alternative approaches to effectively address what we consider a gap in safety oversight.

Upon examining the limited Federal safety regulatory authority over transit and following several high profile rail transit accidents, the new DOT leadership determined that transit safety regulatory reform was needed. The existing program gives state oversight agencies (SSO) the responsibility to require that rail transit systems create a system safety program. The SSO then monitors the implementation of that program by the transit agency. Most states lack the expertise, authority and resources to effectively carry out this function and the FTA has no authority to directly regulate rail transit systems or to establish minimum safety standards.

To address the determination that current State Safety Oversight (SSO) structure (with a few exceptions) lacks sufficient authority to provide for a uniform approach to transit system safety the Secretary determined that the Department would provide more comprehensive Federal safety regulation, oversight, and enforcement. On December 7, 2009, the Secretary transmitted a legislative proposal to Congress -- the Administration's Public Transportation Safety Program Act of 2009.

The legislative proposal would do three things. First, it would require the Secretary of Transportation to establish minimum Federal safety standards for rail transit systems not regulated by FRA. The legislation also provides the Secretary the option to establish a safety program for public transportation bus systems. Second, the Secretary would establish a program whereby a State would be eligible for Federal transit assistance to carry out a Federally-approved public transportation safety program. A State would not be preempted from establishing a more stringent safety standard if the standard meets certain criteria, and the Secretary would enforce the Federal safety standards absent a State's participation. Third, the program would ensure that a State agency overseeing transit systems would be fully financially independent from the transit system it oversees.

The team of safety officials and experts within the Department developed options for transit safety reforms. The results of this effort is FTA's request for \$24.1 million for a new Rail Transit Safety Oversight Program account, \$5.5 million under Administrative Expenses to fund administrative costs of 30 FTE in FTA headquarters Office of Safety to implement and manage the Rail Transit Safety Oversight Program.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

FY 2011 Request:

FTA requests a new Rail Transit Safety Oversight Program totaling \$24.1 million to implement the pending legislation before Congress that will require on-site spot inspections and audits by Federal and state technical specialists and inspectors with backgrounds in train control, track, operations and other disciplines.

The \$24.1 million in this account will fund approximately 100 full time equivalents (FTE) and up to 200 positions and associated costs of travel, training, and rental space for Federal and/or State inspectors to perform on-site spot inspections and audits. It is envisioned that at least five (5) Federal teams of five (5) safety inspectors with multiple disciplines, will be need as a base to provide coverage of 27 rail systems with over 3,100 miles of rail transit. These teams will include signal system specialists, track specialists, rail vehicle specialists, and rail transit operations specialists.

The actual number of Federal vs. state inspectors can only be determined once the program is underway and States establish their own rail transit safety oversight program. FTA expects to empower the States to enforce the required safety provisions however, the number of field inspectors that are direct federally funded will be determined based on if a State declines to set up its own rail transit safety program to enforce Federal standard, and therefore, “opts out.” A State “opting-out” will require FTA inspectors to conduct safety inspections and audits. The number of Federal inspectors vs. Federally sponsored State inspectors could change from year to year.

The Rail Transit Safety Oversight Program funding federal and state inspectors, coupled with the Office of Safety administrative budget request, will create a robust federal-state partnership to provide effective safety oversight of rail transit systems that carry as many as 3.8 billion riders annually. Under this program:

- FTA would be empowered to establish national minimum safety regulations
- FTA would add safety personnel both in Headquarters and field offices skilled in rail transit inspections, audits and incident investigation
- Robust Federal assistance program for States that establish State program in compliance with FTA standards
- FTA trains and certifies State personnel for States that “opt in”
- Participating states are empowered to enforce safety provisions, and may enact more stringent regulations (no Federal preemption). States can decline to set up transit safety programs (“opt out”), in which case, FTA will perform the necessary safety enforcement functions.

TECHNICAL ASSISTANCE AND WORKFORCE DEVELOPMENT

For necessary expenses to carry out technical assistance and workforce development activities related to public transportation, \$28,647,000, to remain available until expended: Provided, that \$4,184,000 is available for the National Transit Institute under section 5315 of title 49, United States Code.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
TECHNICAL ASSISTANCE & WORKFORCE DEVELOPMENT**

Program and Financing (in millions of dollars)

Identification code : 69-2807-0-1-401	2009 Actual	2010 Est.	2011 Est.	
Obligations by program activity:				
01.00	Technical assistance and workforce development.....	...	...	29
10.00	Total new obligations (object class 41.0).....	...	...	29
Budgetary resources available for obligation:				
22.00	New budget authority (gross).....	...	...	29
23.95	Total new obligations.....	...	...	-29
24.40	Unobligated balance carried forward, end of year.....	...	...	...
New budget authority (gross), detail:				
40.00	Discretionary Appropriation.....	...	...	29
Change in obligated balances:				
73.10	Total new obligations.....	...	...	29
73.20	Total outlays (gross).....	...	...	-4
74.40	Obligated balance, end of year.....	...	...	25
Outlays (gross), detail				
86.90	Outlays from new discretionary authority	...	...	4
86.93	Outlays from discretionary balances.....	...	...	...
87.00	Total outlays (gross).....	...	...	4
Offsets:				
88.00	Against gross budget authority and outlays: Offsetting collections (cash) from: Federal sources.....	...	...	...
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	29
90.00	Outlays.....	...	...	4

TECHNICAL ASSISTANCE AND WORKFORCE DEVELOPMENT

PROGRAM AND PERFORMANCE

For 2011, FTA reformats and restructures its programs and accounts to reflect the Administration's emphasis on transportation safety, livable communities and placed-based development. FTA will fund technical assistance for targeted populations, safety and security technical assistance, institutional and policy technical assistance and training and capacity building programs. Combining all technical assistance programs in one focused program will address the needs of transit providers nationwide. Training and capacity building programs will ensure a workforce with sufficient skill-mix is available to fill the transit jobs of the future.

TECHNICAL ASSISTANCE AND WORKFORCE DEVELOPMENT
Appropriation, Obligation Limitation, Exempt Obligations
(\$000)

	FY 2009 ENACTED	FY 2010 ENACTED	FY 2011 REQUEST	CHANGE FY 2010- FY 2011
National Technical Assistance & Workforce Development	-	-	24,463	24,463
National Transit Institute	-	-	4,184	4,184
Total – Technical Assistance and Workforce Development	-	-	-	28,647

Program and Performance Statement:

For 2011, FTA reformats and restructures its programs and accounts to reflect the Administration’s emphasis on increased transparency and improving the services offered to its customers. FTA will fund technical assistance for targeted populations, safety and security technical assistance, institutional and policy technical assistance and training and capacity building programs. Combining all technical assistance programs in one focused program will address the needs of transit providers nationwide. Training and capacity building programs will ensure a workforce with sufficient skill-mix is available to fill the transit jobs of the future.

In addition, this account includes funding for the National Transit Technical Assistance program (section 5315) formerly funded in the Research and University Research Centers account.

TECHNICAL ASSISTANCE AND WORKFORCE DEVELOPMENT
Summary Analysis of Change from FY 2010 to FY 2011
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

Item	Change from FY 2010 to FY 2011	FY 2011 PC&B by Program	FY 2011 FTEs by Program	FY 2011 Contract Expenses	Total
FY 2010 Base: Enacted					0
Technical Assistance Appropriations, Obligations, Limitations, and Exempt Obligations					
Adjustment to Base					
Subtotal, Adjustments to Base					
New or Expanded Programs					
National Technical Assistance	24,463				
National Transit Institute	4,184				
Subtotal, New or Expanded Program Increases/Decreases					28,647
Total FY 2011 Request					\$28,647

Detailed Justification for National Technical Assistance

National Technical Assistance Program	FY 2011 Request: \$24,463,000
<p>Although FTA has been recognized for its technical assistance through several feedback mechanisms, the results of the 2008 Customer Survey reported that FTA’s customer satisfaction clearly suffered in “The ability of FTA staff to provide onsite technical services or participate in onsite meetings.” One-third of FTA’s grant recipients were generally “dissatisfied” with the ability of FTA staff to make onsite visits to provide technical assistance and guidance.</p> <p>Combining FTA’s technical assistance activities into one new National Technical Assistance program will focus resources and help address problems sited in the past. FTA’s technical assistance efforts will assist FTA grantees to administer grants, contracts, cooperative agreements (both pre- and post-award assistance), and to improve FTA’s customers’ ability to meet their missions through capacity building and best practices.</p> <p>FTA proposes that a robust public transportation technical assistance and capacity building program be established in FY 2011. This program will be dedicated to providing adequate technical assistance to support grant recipients and stakeholders. Many of FTA’s technical assistance activities were previously requested in the Research and University Research Centers Account. In FY 2011, FTA will segregate technical</p>	

assistance and workforce training activities in a National Transit Technical Assistance program.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

FTA did not request funds for the National Technical Assistance Program in FY 2010.

FY 2011 Budget Request:

In FY 2011, FTA is requesting \$28.8 million to fund the National Technical Assistance program. Funding will support Targeted Populations Technical Assistance and Training, Safety and Security Technical Assistance and Training, Institutional and Policy Technical Assistance, and Training and Capacity Building Programs. An explanation for each of these program areas is provided below.

Targeted Populations Technical Assistance and Training

Many older adults, people with disabilities, and people with low-incomes depend on public transportation to meet their basic mobility needs and many members of these populations have mobility needs that are not well met by existing public transit systems. Because enhanced mobility services are often uniquely crafted to fit the needs of the populations that they are trying to serve, a higher level of technical service is required. FTA will support enhanced mobility services through its technical assistance and information dissemination programs for targeted populations.

In FY 2011, the Targeted Populations Technical Assistance will provide:

Job Access and Reverse Commute program technical support

- FTA will support JARC grantees and others regarding employment transportation issues. Useful practices will be catalogued, successful projects documented, and informational briefs on issues associated with employment transportation developed. In addition, this project will provide peer-to-peer assistance, maintain an employment transportation website, and offer a 1-800 number. A JARC communication network among JARC grantees will be maintained where issues can be discussed and information disseminated. This project will also promote an employer benefits outreach program for low-income individuals.

Disability community technical support

- FTA will provide technical assistance to the disability community, transportation industry, government, human service agencies, advocacy and professional organizations and others on the full range of issues associated with the provision of accessible transportation for people with disabilities of any age. Emphasis will continue to be placed on implementation of the Americans with Disabilities Act

(ADA) and with improving the accessibility of the pedestrian environment, alerting the disability community to the availability of accessible transportation, and advancing coordinated human service transportation.

Technical support for disadvantaged businesses

- The disadvantaged business enterprise (DBE) program has helped small businesses owned and controlled by socially and economically disadvantaged individuals, including minorities and women, to participate in contracting opportunities created by DOT financial assistance programs. FTA training and technical assistance activities help to ensure the creation of a level playing field on which DBEs can compete fairly and help to make the DBE program more effective and efficient for all participants.

Mobility management support:

- FTA will support the development and maintenance of a functioning mobility management network and infrastructure across the U.S. In pursuit of this goal, the project will continue to execute a national education program as well as develop and implement a national mobility management infrastructure support program for the emerging U.S. mobility management network. The infrastructure support program includes technical assistance, training and communication systems for mobility managers and documents the progress and performance of the mobility management system.

In FY 2011, FTA technical assistance will:

- Develop JARC technical assistance plans for 20 community teams and provide technical assistance to individual communities on low-income transportation issues, including a 1-800 number, internet information and assistance, and peer-to-peer technical assistance.
- Establish technical assistance systems for mobility management using existing Technical Assistance Centers and APTA. The Technical Assistance Centers will provide peer assistance, useful practices, and mobility management toolkits

Safety and Security Technical Assistance and Training

Safety is a fundamental concern of transit operators, and attention is given to issues such as driver training, driver drug and alcohol testing, and vehicle design. These technical assistance activities are ongoing and the placement of these activities in relationship with the duties and functions of a new Office of Safety will be determined.

FTA technical assistance funds help States, local transit authorities, and the transit industry by providing safety technical assistance and by improving technology and training programs. FTA continues to audit alcohol and drug testing programs.

In the prevention of security breaches, FTA works closely with the Department of Homeland Security, the agency principally responsible for the detection of security threats. FTA plays an important role in bringing better methods to the attention of

transit operators.

In FY 2011, FTA will fund the following safety and security technical assistance activities.

Safety and security program guidance:

- FTA will develop technical assistance materials to enhance system safety and disseminate this information to industry stakeholders and the public. System safety program guidance will be produced to support a structured system for managing safety analysis and addressing safety impacts. The safety and security website supported through this project will provide direct assistance to the transit industry and external customers. Through the safety and security clearinghouse, customers and stakeholders will have access to reference documents, recommended safety and security procedures, handbooks, and planning guidance.

Drug and alcohol testing:

- FTA will collect and report on drug and alcohol testing from all FTA grantees and their contractors annually. The results allow the FTA Administrator to set random testing levels based on the violation rates. This project funds the electronic collection, maintenance and analysis of drug and alcohol reports now submitted by over 3,400 employers, production of guidance newsletters and documents, production of a national training conference, the development and upkeep of drug and alcohol audit software, and the production of an annual report.

Safety and security training:

- FTA will support the delivery of safety and security courses and seminars. Over 35 courses will be offered based on consultation with key stakeholders, including the Department of Homeland Security. Meetings will also be held to review, evaluate, and update course content and will provide instructor excellence training for associate staff to assist them in honing their course delivery skills.

In FY 2011, FTA will:

- Support training for transit professionals in subjects such as accident prevention and investigation, emergency management, industrial safety, bus operator safety, and fatigue awareness.
- Provide drug and alcohol training materials and assistance materials, such as the reasonable suspicion testing video and post-accident testing determination lanyard cards.

Institutional and Policy Technical Assistance

Institutional and Policy Technical Assistance includes a range of program support activities, from technical support for FTA programs to technical assistance for grantees

in their use of FTA financing programs.

In FY 2011, the Institutional and Policy Technical Assistance program will include activities to provide technical support for livability initiatives.

Stakeholder consultation and engagement is critically important to promoting proactive, broad implementation of FTA policies and programs. FTA Institutional and Policy Technical Assistance will provide support and resources for promoting livability by facilitating discussion, experience sharing, application, and evaluation among FTA customers. The focus will be on new and innovative policy and program initiatives that define, test, and promote key components of livability across the transit industry. The resulting information, lessons learned, and dialogue among practitioners, will complement DOT's livability initiative.

FTA will sponsor a coordinated program of information development, policy evaluation, and outreach focused on elevating livability in the context of transportation planning and practice. Livability-focused technical assistance will focus on working with stakeholder group members to identify information and technical assistance needs related to implementation of livability concepts. Among topics under consideration will be strategies for coordinating land use and transportation planning, promoting regional contexts for transit-oriented development, and improving access to jobs and social services.

Training and Capacity Building

FTA's training and capacity building program will focus on ensuring transit personnel have the expertise necessary to do their jobs. The program will help to ensure that transit agencies have a sufficient workforce pool to recruit from.

The training sessions and roundtables FTA hosts provide a strategic, cost-effective way to promote the agency mission and examples of effective practice to the stakeholder community. In FY 2011, FTA technical assistance funds will support a wide array of training and capacity building activities.

- Capacity building programs help state and local transportation professionals meet complex political, social, economic, and environmental demands. They provide information on the latest transit engineering, contracting, and construction techniques.
- FTA sponsored roundtables facilitate the development of peer-to-peer contact, focus groups, lessons learned, and best practices. In addition, they create a continuous year-around nationwide network of transit professionals who use each other and FTA as a resource for solving technical issues.

Explanation of Funding Changes for National Transit Technical Assistance

National Transit Technical Assistance	\$24,463,000
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Overview:

FTA is requesting \$24.5 million in FY 2011 to support the National Technical Assistance program. Although the program within this Account is new in FY 2011, many of the projects that will be funded were previously requested as part of the National Research and Technology program.

Funding for the National Transit Technical Assistance Program will enable a single, focused program to address the technical assistance needs of transit providers nationwide.

Detailed Justification for National Transit Institute

National Transit Institute **FY 2011 Request: \$4,184,000**

Overview:

The goals and objectives of the National Transit Institute (NTI) are to develop and teach new methods and techniques to improve transit workforce performance and increase productivity in the workplace. NTI provides training in planning and service concepts; operations improvements and safety; human resources policies; and management development and effectiveness.

NTI courses are conducted locally on subjects ranging from advanced technology and multi-modal planning to management development and training effectiveness. Transit trainers' workshops are conducted annually to bring together trainers and human resource specialists from industry to learn the latest techniques in training, and to share training experiences on the job. In addition, NTI and FTA are working together to develop and present workshops and seminars designed to assist the transit industry in understanding and implementing advanced public transportation systems.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

Over 78,300 transit employees have received security training since 9/11. New transit security courses will be developed and delivered through the national monitoring course that incorporates the latest in international counter-terrorism, counter-terrorism strategies for transit police, and conducting emergency drills.

FY 2011 Budget Request:

In FY 2011, funding will be used for the following:

Continued funding for NTI will ensure that FTA has the necessary training resources to train grantees in compliance of federal guidelines & regulations, especially for new requirements. In addition, NTI is a key mechanism for delivering security awareness and response training to the transit industry.

In FY 2011, funding will support the following activities:

- The National Transit Institute will deliver approximately 50 courses at locations throughout the country during FY 2011.
- NTI will continue to assist transit operators in learning about and implementing market-based strategies to enhance transit service.
- FTA will evaluate and assess current National Transit Institute and Transit Safety Institute security courses to ensure that the courses are up to date and reflect current terrorism-related information.

[RESEARCH AND UNIVERSITY RESEARCH CENTERS]

NATIONAL RESEARCH AND TECHNOLOGY

For necessary expenses to carry out 49 U.S.C. [5306, 5312-5315] 5312-5314, and 5322, [and 5506, \$65,670,000] \$29,729,000, to remain available until expended: Provided, That [\$10,000,000] \$9,729,000 is available to carry out the transit cooperative research program under section 5313 of title 49, United States Code[, \$4,300,000 is available for the National Transit Institute under section 5315 of title 49, United States Code, and \$7,000,000 is available for university transportation centers program under section 5506 of title 49, United States Code]: *Provided further*, That [\$44,370,000] \$20,000,000 is available to carry out national research programs under sections 5312, 5313, 5314, and 5322 of title 49, United States Code[: *Provided further*, That of the funds available to carry out section 5312 of title 49, United States Code, \$5,000,000 shall be available to the Secretary to develop standards for asset management plans, provide technical assistance to recipients engaged in the development or implementation of an asset management plan, improve data collection through the National Transit Database, and conduct a pilot program designed to identify the best practices of asset management]. (*Department of Transportation Appropriations Act, 2010.*)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
NATIONAL RESEARCH AND TECHNOLOGY**

Program and Financing (in millions of dollars)

Identification code : 69-1137-0-1-401	2009 Actual	2010 Est.	2011 Est.	
Obligations by program activity:				
01.00	Washington Metro.....	58	78	59
09.01	Reimbursable program.....	7	29	34
	Total new obligations (object class 41.0).....	65	107	93
10.00				
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year.....	66	76	55
22.00	New budget authority (gross).....	70	86	50
22.10	Resources available from recoveries of prior year obligations	5	...	...
	Total budgetary resources available for obligation	141	162	105
23.90	Total new obligations.....	-65	-107	-93
24.40	Unobligated balance carried forward, end of year.....	76	55	12
New budget authority (gross), detail:				
Discretionary				
40.00	Appropriation.....	67	66	30
58.00	Spending authority from offsetting collections:			
	Offsetting collections (cash).....	15	20	20
58.10	Change in uncollected customer payments.....	-12	...	...
	Spending authority from offsetting collections (total discretionary).....	3	20	20
70.00	Total new budget authority (gross).....	70	86	50
Change in obligated balances:				
72.40	Obligated balance, start of year.....	88	68	65
73.10	Total new obligations.....	65	107	93
73.20	Total outlays (gross).....	-92	-110	-110
73.45	Reoveries of prior year obligations.....	-5	...	...
74.00	Change in uncollected customer payments from Federal sources (unexpired)	12	...	...
	Obligated balance, end of year.....	68	65	48
Outlays (gross), detail				
86.90	Outlays from new discretionary authority	9	33	26
86.93	Outlays from discretionary balances.....	83	77	84
	Total outlays (gross).....	92	110	110

(Continued on next page)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
NATIONAL RESEARCH AND TECHNOLOGY**

Program and Financing (in millions of dollars)

		2009	2010	2011
Identification code : 69-1137-0-1-401		Actual	Est.	Est.
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from:			
	Federal sources.....	-15	-20	-20
88.95	Change in uncollected customer payments from Federal sources (unexpired)	12	...	...
<hr/>				
Net budget authority and outlays:				
89.00	Budget authority.....	67	66	30
90.00	Outlays.....	77	90	90

NATIONAL RESEARCH AND TECHNOLOGY

PROGRAM AND PERFORMANCE

In 2011, FTA reformats and restructures its programs and accounts to reflect the Administration's priority emphasis on livable and sustainable communities and increased efforts to reduce greenhouse gas emissions and energy consumption. Funding in this account provides discretionary resources to funding research activities to further the Department's strategic goals and accomplish FTAs research and technology program mission.

National Research and Technology. --\$20 million. Funds will advance the research and development of transportation methods and technologies that support increasing transit's market share, support improving the performance of transit operations and systems, and provide transit research leadership.

Transit Cooperative Research Program. --\$9.7 million. Funds research projects that are significant to the transit industry. Grant awards support priority projects in areas of safety, security, equipment and system design, system operations, and the economic development impact of transit investment in transportation corridors. This account is renamed in 2011 from Research and University Research Centers consistent with activities funded under this heading.

This account is renamed in 2011 from Research and University Research Centers consistent with activities funds under this heading.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
NATIONAL RESEARCH AND TECHNOLOGY**

Object Classification (in thousands of dollars)

		2009	2010	2011
Identification code : 69-1137-0-1-401		Actual	Est.	Est.
Direct obligations:				
25.5	Research and development contracts	1,804	1,400	1,400
41.0	Grants, subsidies and contributions.....	56,344	76,755	57,664
99.0	Subtotal, obligations, Direct obligations	58,148	78,155	59,064
99.0	Reimbursable obligations.....	6,663	29,143	34,143
99.9	Total new obligations.....	64,811	107,298	93,207

NATIONAL RESEARCH AND TECHNOLOGY
Appropriation, Obligation Limitation, Exempt Obligations
(\$000)

	FY 2009 ENACTED	FY 2010 ENACTED	FY 2011 REQUEST	CHANGE FY 2010- FY 2011 ^{1/}
National Research & Technology	45,700	44,370	20,000	-24,370
Transit Cooperative Research	10,000	10,000	9,729	-271
National Transit Institute	4,300	4,300	- ¹	-4,300
University Transportation Centers	7,000	7,000	-	-7,000
Total – National Research and Technology	67,000	65,670	29,729	-35,941

^{1/} National Transit Institute funding is requested in the Technical Assistance and Workforce Development Account

Program and Performance Statement:

In FY 2011, FTA reformats and restructures its programs and accounts to reflect the Administration’s commitment to public transportation and the high-priority of livable and sustainable communities and the increased efforts to reduce greenhouse gas emissions and energy consumption. Funding in this account provides discretionary resources to fund research activities that further the Department’s strategic goals and accomplish FTA’s research and technology program mission.

National Research and Technology Programs fund discretionary research activities to advance the research and development of transportation methods and technologies that help increase transit’s market share, improve the performance of transit operations and systems, and provide leadership on transit research.

The Transit Cooperative Research Program (TCRP) funds research projects that are important to the success of public transportation and the operations of the transit industry. TCRP grants support priority projects in transit safety and security, equipment and system design, system operations, and the economic development impact of transit investments in transportation corridors.

This account is renamed in FY 2011 from Research and University Research Centers to National Research and Technology so it more transparent what activities funded under this heading.

NATIONAL RESEARCH AND TECHNOLOGY
Summary Analysis of Change from FY 2010 to FY 2011
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

Item	Change from FY 2010 to FY 2011	FY 2011 PC&B by Program	FY 2011 FTEs by Program	FY 2011 Contract Expenses	Total
FY 2010 Base: Enacted					65,670
Research Appropriations, Obligations, Limitations, and Exempt Obligations					
Adjustment to Base					
National Research & Technology	(24,370)				
Transit Cooperative Research	(271)				
National Transit Institute	(4,300)				
University Transportation Research	(7,000)				
Subtotal, Adjustments to Base					(35,941)
New or Expanded Programs					
Subtotal, New or Expanded Program Increases/Decreases					
Total FY 2011 Request					29,729

Detailed Justification for National Research and Technology

National Research & Technology	FY 2011 Request: \$20,000,000
<p>Through the National Research and Technology Program, FTA will deliver improvements for public transportation. The program supports research not generally undertaken by the private sector including studies on transit policy issues, operational efficiency, and travel behavior. The program also funds long-term, high-risk, high potential payoff investigations of new technologies.</p> <p>Transit research has a broad audience and diverse stakeholders with specific interests. Recognizing its responsibility for delivering common sense transit solutions for communities across America, FTA is undertaking measures to continue to improve the performance of the research program and to ensure that it addresses the important challenges facing the transit industry.</p> <p>One important step FTA is proposing in FY 2011 is to narrow the focus of the National Research and Technology program to projects that are truly research in scope. To do this, FTA has included in its FY 2011 budget a new Technical Assistance and Workforce</p>	

Development Account. All technical assistance and training activities are funded in the new Technical Assistance and Workforce Development Account.

To ensure the National Research and Technology program focuses on the challenges of the transit industry, FTA will support the National Academy of Sciences' Transportation Research Board's Transit Research Analysis Committee. Collaboration with the Transit Research Analysis Committee and the Department's Research and Innovative Technology Administration (RITA) ensures that FTA address the Inspector General's management challenge to strengthen coordination of research, development, and technology projects.

FTA provides transit agencies with research results to help improve public transportation service while simultaneously reducing internal and external costs.

In FY 2011, FTA National Research and Technology Program activities will support research strategic goals updated to reflect transit agency needs. FTA's revised research objectives are:

- 1.1 Provide vision and prepare the nation for transit advancements
- 1.2 Explore strategic partnerships to achieve transit research goals
- 1.3 Synthesize research results to provide useful bodies of knowledge for transit industry decision makers and to shape the national transit research agenda
- 2.1 Identify methods to increase transit system capacity (e.g. operations planning, technology, infrastructure, vehicles, workforce, financing)
- 2.2 Perform research to improve the rider experience (e.g., travel time; service reliability, frequency, and quality; customer information)
- 3.1 Perform research to improve capital and operating efficiencies (capital, operating, and maintenance costs)
- 3.2 Perform research to improve transit planning and forecasting (e.g., operations, linking transportation systems, transit-oriented development and land use, solving the last mile)
- 3.3 Perform research to improve mobility, rural services, and services for targeted populations
- 3.4 Perform research to reduce energy consumption (in vehicles and facilities) and transit environmental impacts (e.g., alternative fuels and emissions, waste streams, recycling)
- 3.5 Perform research to improve safety, security, and emergency preparedness

FTA’s revised research objectives align with the Department’s strategic goals as well as the RITA research strategies. The following table illustrates how the goals, objectives, and strategies align.

FTA’s Research Goals are Aligned with DOT’s Research Strategies

RD&T Strategies	FTA Research Objectives
Safety	Objective 3.5 Perform research to improve safety, security, and emergency preparedness
Livability	Objective 2.2 Perform research to improve the rider experience Objective 3.2. Perform research to improve transit planning and forecasting Objective 3.3. Perform research to improve mobility, rural services, and services for targeted populations
State of Good Repair	Objective 2.1. Investigate methods to increase transit system capacity Objective 3.1. Perform research to improve capital and operating efficiencies
Environmental Sustainability	Objective 3.4. Perform research to reduce energy consumption and transit environmental impacts
Organizational Excellence	Objective 1.1. Provide vision and prepare the nation for transit advancements Objective 1.2. Explore strategic partnerships to achieve transit research goals Objective 1.3 Synthesize research results to provide useful bodies of knowledge for transit industry decision makers and to shape the nation transit research agenda

The new Technical Assistance and Workforce Development account will fund some activities previously funded under the National Research and Technology Program. Resources in the National Research and Technology Program will be focused on research and development activities that deliver solutions that improve public transportation.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

The following major anticipated accomplishments in FY 2010 support ongoing program efforts in FY 2011.

- Bus safety research conducted as part of the Bus Program research area in partnership with Wichita State University has produced a final report with recommendations on improved and reconfigured bus interior design to minimize injuries. Potential follow-up research is to develop and demonstrate an “active bumper” for transit buses that can minimize injuries during collisions.

- Research in the Transit Best Practices program area supports the development of voluntary, consensus domestic and international standards to improve the design, performance, safety, and reliability of transit systems. The American Public Transportation Association's (APTA's) website now includes 250 standards covering bus, rail, procurement, intelligent transportation systems (ITS), and information technology.
- Rail Program research is demonstrating the cost effectiveness of installing a wayside energy storage system that will capture and re-use regenerative brake energy; reduce peak current demand and voltage sag, evaluate several suitable energy storage technologies and implement the technology, and determine return on investment.
- Under the Research Leadership program area, funding will support research dissemination, white papers, and fact sheets. Previous white paper topics include congestion mitigation and Wi-Fi application in transit tunnels.

FY 2011 Budget Request:

FTA is requesting \$20 million for National Research and Technology Program to support activities designed to develop solutions that improve public transportation. As the only Federal agency responsible for transit, FTA commands a leadership role in supporting research intended to identify different strategies to increase transit system capacity, improve the rider experience, improve capital and operating efficiencies, provide rural and targeted populations research, improve transit planning and forecasting, improve safety and emergency preparedness, and provide transit research leadership.

Over the past 15 years, transit construction and operating costs have escalated rapidly. The American Association of State Highway and Transportation Officials (AASHTO) estimated that construction costs increased nearly 30% between 1993 and 2006. These escalating capital costs are severely impeding transit agencies' ability to meet the growing demand for bus and rail service.

With gasoline prices soaring in 2008 in many cities, public transportation ridership swelled to maximum capacity during peak hours, as people looked for safe and cheaper ways to commute to work. Although transit's share of the overall "transportation market" remains small, it is growing and it is vital to segments of the population whose income is not growing proportionate to fuel prices.

Increased transit ridership is important, but even more important is to sustain and grow transit market share. To do so requires research in how to improve the rider experience, how to expand transit system capacity to eliminate crowding during peak hours and to accommodate more riders in general, and how to reduce the time needed to plan and construct new or additional facilities and systems.

Increasing transit's market share will support the Department's initiative to increase the choices for transportation users, provide easy access to employment opportunities and other destinations, and promote positive effects on the Nation's communities. FTA

research now focuses on supporting a significant increase in transit's market share, including increasing all types of capacity at transit agencies.

FTA promotes the importance of making capital and operating investments that represent the optimal use of public funds, especially with local governments facing increasing pressure to manage transit operating costs. Cost effective transit investments will lead to the renewal and restoration of that system, and support the Department's goal to increase the Nation's economic competitiveness. Research on infrastructure, operating and maintenance practices will help ensure transit systems attain and maintain a state of good repair.

FTA also promotes transit planning and forecasting practice improvements. This requires research activities linking transit with other transportation systems and on transportation models. Research on transit oriented development and transportation and land use can demonstrate the benefits of "good" transportation planning.

Mobility remains a challenge for many targeted populations, such as individuals with disabilities and the elderly, and populations in rural areas. Research is necessary to examine new types of vehicles and operational methods to improve the performance and operational characteristics of these types of services.

An integral element of transit performance and operations is transit safety. While transit is one of the safest modes of transportation, research is still necessary to identify vehicle and system improvements to improve safety for the riding public and for transit track workers.

Many organizations in the United States, including the FTA, State departments of transportation, transit agencies, universities, and manufacturers, carry out transit research. However, FTA has the sole responsibility for addressing transit research from a national perspective.

FTA will continue to provide leadership to advance research in areas that are beyond the scope and funding capacity of other organizations. FTA will encourage strategic research partnerships through better communication and coordination to minimize duplication and maximize completion of needed transit research. FTA will also better define transit research needs through outreach with potential strategic partners and the transit industry at-large. Requested program areas include the following:

Identify Methods to Increase Transit System Capacity – \$2,350,000

Research into improving transit system capacity includes developing and strengthening transit manufacturers and suppliers, adopting new and better planning and forecasting technologies, increasing operational efficiencies, increasing vehicle numbers and infrastructure, increasing overall system throughput, and exploring innovative financing. This objective is focused on ensuring that transit system capacity exists to accommodate increasing ridership.

In FY 2011, FTA plans to help improve system capacity by investigating new infrastructure construction techniques that can be applied to the transit industry. This will reduce overall construction costs and time required to complete projects while at the same time promoting green transit infrastructure and improving overall system performance.

Improve the Rider Experience -- \$2,000,000

Research performed to improve the rider experience addresses gaining a better understanding of: 1) public perceptions and attitudes toward transit; and, 2) riders' experience and desires as transit customers. Research in this area examines why some individuals choose to ride transit and others do not, and addresses how to better serve existing passengers as well as attract and maintain new ones.

FTA funds research to analyze and evaluate how transit operating practices affect ridership. Ongoing research examines new forms of transit service, parking policies, fare strategies, and service design to determine which have the potential to attract new riders and retain existing riders.

Intelligent transportation systems (ITS) are a key component of research to improve the rider experience, since deployment of new ITS technologies have in the past and will continue to make it easier and more convenient to ride public transportation.

In FY 2011, FTA will conduct mode specific transit ITS research and demonstration activities. FTA funded transit ITS research and demonstration activities will include areas such as; examining technical requirements of enterprise architecture, transit signal prioritization, train control and communications, electronic payment "Smart Card" technology and transit vehicle diagnostic data recording.

Improve Capital and Operating Efficiencies -- \$7,200,000

FTA will conduct research and explore ways to improve capital and operating efficiencies. Reducing and controlling the capital costs of both infrastructure and vehicles helps assure that capital projects are completed on time and within budget, and that increasing ridership can be accommodated. Research is needed to determine better ways to control costs through improved design and improved cost control methods. Transit operations also face considerable challenges to controlling operating and maintenance costs.

FTA research addresses operational efficiencies in bus, light rail, heavy rail, and demand response operations. Taking inflation into account, between 1997 and 2006, total operating expenses increased nearly 38% to a total of \$24.6 billion. To improve operational efficiencies, the transit industry needs information to make informed decisions on technologies as well as service operations. FTA research will provide transit agencies with information and some of the decision-making tools for making

informed technology investments.

FTA research to improve capital and operating efficiencies includes:

Bus Programs – Activity areas will include ways to reduce the weight of buses through use of composites; applications and designs to reduce noise levels, both inside and outside the bus; improvements to the ride quality through the application of technologies such as adaptive suspension; and improvements to selected subsystems including the engine, heating and air conditioning, and electrical communication systems.

Bus Testing -- Results obtained through the bus testing program at Altoona, PA will provide data for comparing attributes before and after improvements.

Transit Standards and Best Practices – This program area will improve the design, performance, safety, and reliability of transit systems through the development of voluntary, consensus domestic and international standards for bus and rail operations. Industry standards improve the performance of transit systems and reduce the risk for the supply industry.

Rail Programs – FTA Plans to will improve rail operations through exploration of innovative concepts, new technologies, and best practices to increase efficiency. Areas of research will include look at different aspects of human/vehicle interface and improve existing programs such as worker training, maintenance worker protection, fatigue and other issues that might contribute to accidents.

Operations, Maintenance, and Management - This program will undertake research, analysis, operational tests, demonstrations, evaluations, and technology transfer activities to improve transit system operations, maintenance, and management that will help attain and maintain a state of good repair. Activities would address improvements in the use of personal digital devices (e.g., BlackBerry, iPod) for electronic fare payments (EFP); improvements in the use of real-time transit vehicle diagnostic and maintenance management systems in order to increase service reliability; and processes and techniques involving the latest management software and information systems that improve the delivery of transit services.

Improve Transit Planning and Forecasting – \$1,000,000

It is important for FTA's New and Small Starts programs that local and Federal decision-makers have confidence in the information used to make decisions about specific projects that may compete for New and Small Starts funding. The results of FTA's Planning research program area will help ensure that alternatives analyses produce reliable ridership numbers that can support the identification of projects that merit Federal investment.

In FY 2011, FTA will focus research on advances in planning methods and forecasting in the areas of: (1) collection of data on transit ridership patterns; (2) urban travel

models; and, (3) forecasting for New Starts projects.

Rural and Targeted Populations Research – \$1,750,000

Rural and targeted populations’ research addresses cost-effective transit service in rural areas as well as services for targeted populations and their diverse public transportation needs and interests. Research focuses on cost-effective methods to provide service to rural and targeted populations. Investigations of “universal design” for targeted populations and mainstream service technologies fit under this objective.

Research is needed to determine a reasonable stratification of rural transit services and logical approaches to providing transit services in rural areas with different characteristics and requirements. Additionally, research is needed to examine appropriate vehicles and technologies, such as intelligent transportation systems and appropriately sized and designed buses.

Continued research and testing to improve coordination among different service providers is needed to deploy coordinated transportation management centers for wide use by rural public transit providers. Additionally, better methods are needed for communicating best practices and cost-effective ways to operate and maintain rural transit system services, including use of websites and webinars for rural providers.

The objective of research to improve mobility, rural services, and services for targeted populations will be to promote the efficient and effective movement of people living in non-metropolitan regions. For most individuals, getting to work, to the doctor, or visiting family means getting in the car or onto transit. However, for others, particularly those living in rural areas or targeted groups such as the elderly or individuals with disabilities, it’s not that easy. There are often challenges that individuals face when trying to make these trips. This research will develop solutions to these problems.

In FY 2011, FTA plans to investigate areas that affect small urban and rural populations such as, optimal vehicle size and fleet size for small urban and rural transit agencies, to match capacity demand for service and reduce fuel consumption.

Improve Safety, Security, and Emergency Preparedness – \$2,500,000

Transit is the safest travel mode. According to the National Safety Council, riding the bus is 47 times safer than traveling by car, and traveling by train is 23 times safer than traveling by car. Still, safety is a fundamental concern. FTA research addresses safety, security, and emergency response practices and technologies for vehicles (bus and rail) and stations, transit centers, and other transit facilities, and focuses on the integration of safety and security into transit programs, operations, and infrastructure.

FTA’s FY 2011 safety and security research program will be designed to help prevent public transportation fatalities, injuries, property damage and system interruption due to man-made or natural threats, and to ensure the capability to respond effectively to any

accidents and threats, security incidents, and emergencies that do occur.

In FY 2011, FTA will also conduct research into the human factors in safety incidents. The objective of this research is to look at different aspects of the human/vehicle interface and improve existing programs such as worker training, maintenance worker protection, fatigue and other issues that might contribute to accidents.

Provide Transit Research Leadership – \$3,200,000

The results of transit research are often in the form of information with little integration, synthesis, or context for how they might be applied to decision making. Over the next few years, FTA will categorically identify relevant research areas and collate and synthesize research results from these areas into bodies of knowledge that the transit industry can use in decision making. FTA will also use these syntheses to identify relevant new research critical to transit.

In FY 2011, FTA’s Institutional Research program area will include activities to provide transit research leadership, including research dissemination. Often a neglected afterthought, the dissemination of key research findings upon project completion is a crucial step to facilitating the implementation of these findings. Through various distribution methods, FTA will deliver salient findings to a host of stakeholders including participant transit agencies, Metropolitan Planning Organizations, State DOTs, academics, policymakers, politicians, and consultants.

FTA’s Policy Research to Provide Vision and Leadership will focus on areas including: innovative finance, transit operating revenues, and areas where energy, environmental, social, institutional and financial goals are interrelated and innovative pricing options designed to manage demand for transit travel and to make more efficient utilization of transportation infrastructure.

Explanation of Funding Changes for National Research & Technology Program

National Research & Technology	– \$24,370,000
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Overview:

For FY 2011, FTA reformats and restructures its programs and accounts to reflect the Administration’s emphasis on greenhouse gas and energy reduction and livable and sustainable communities. FTA requests \$20 million for the National Research and Technology program. The \$24.37 million decrease in funding from the FY 2010 Budget request is due to FTA’s realignment of Clean Fuels and Environment research in the new Greenhouse Gas and Energy Reduction account, and the consolidation of technical assistance activities previously funded in the National Research and Technology program, into a new Technical Assistance and Workforce Development account.

Realignment of environmental research and technical assistance activities to other accounts will allow FTA to focus activities in the National Research and Technology program on research not likely to be funded by the private sector. In particular, FTA research will concentrate on ways to improve capital and operating efficiencies through the Rail Program research, Bus Program research, and Operations, Maintenance and Management program research.

Detailed Justification for Transit Cooperative Research Program

Transit Cooperative Research Program	FY 2011 Request: \$9,729,000
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Overview:

Under the Transit Cooperative Research program (TCRP), FTA established an independent governing board (the TOPS Committee) to recommend public transportation research.

Each year, TCRP produces a wide variety of reports that are valued by the transit industry on topics selected by a committee broadly representing the industry.

This program assists in creating stakeholder interest in public transportation research. Each TCRP project is managed by an appointed technical panel composed of industry experts that formulate the statements of work and evaluate competitive proposals for accomplishing the research.

TCRP disseminates research information through maintenance of a publications list and description of all TCRP studies on its website. In addition, the American Public Transportation Association (APTA) maintains a TCRP dissemination website to assist in the dissemination process to the transit industry. All TCRP publications are available electronically for immediate access in PDF format through these websites.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

FY 2011 Budget Request:

In FY 2011, funds provided in this program will be used to award TCRP research projects in the priority areas of safety & security, policy & planning, specialized customer service, equipment and infrastructure, and fleet operations.

Explanation of Funding Changes for Transit Cooperative Research Program

Transit Cooperative Research Program	-\$271,000
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Overview:

For FY 2011, FTA is requesting \$271,000 less for the Transit Cooperative Research Program.

Explanation of Funding Changes for University Transportation Centers Program**University Transportation Centers****-\$7,000,000****Overview:**

For FY 2011, FTA is not requesting funds for a specific University Transportation Centers Program. Universities are eligible for funding through specific projects funded under the National Research and Technology Program. FTA will administer individual transit project to universities and centers for higher education on a project-by-project basis. Funding projects directly rather than through a stand-alone transportation research program for universities will help ensure university research is focused on the needs and challenges facing public transportation.

ADMINISTRATIVE EXPENSES

For necessary administrative expenses of the Federal Transit Administration's programs authorized by chapter 53 of title 49, United States Code, [\$98,911,000: *Provided*, That of the funds available under this heading, not to exceed \$1,809,000 shall be available for travel: *Provided further*, That none of the funds provided or limited in this Act may be used to create a permanent office of transit security under this heading: *Provided further*, That of the amounts made available under this heading not to exceed \$75,000 shall be paid from appropriations made available by this Act and provided to the Department of Transportation Office of Inspector General through reimbursement to conduct the annual audits of financial statements in accordance with section 3521 of title 31, United States Code: *Provided further*, That upon submission to the Congress of the fiscal year 2011 President's budget, the Secretary of Transportation shall transmit to Congress the annual report on new starts, including proposed allocations of funds for fiscal year 2011]\$113,559,000. (Department of Transportation Appropriations Act, 2010.)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
ADMINISTRATIVE EXPENSES**

Program and Financing (in millions of dollars)

Identification code : 69-1120-0-1-401		2009	2010	2011
		Actual	Est.	Est.
Obligations by program activity:				
00.01	Administration expenses	94	99	114
09.00	Reimbursable program	1	...	...
10.00	Total new obligations.....	95	99	114
Budgetary resources available for obligation:				
22.00	New budget authority (gross).....	95	99	114
23.95	Total new obligations.....	-95	-99	-114
23.98	Unobligated balance expiring or withdrawn	-1	...	...
24.40	Unobligated balance carried forward, end of year .....	...	...	...
New budget authority (gross), detail:				
40.00	Discretionary Appropriation.....	94	99	114
Spending authority from offsetting collections:				
58.00	Offsetting collections (cash).....	1	...	...
58.10	Change in uncollected customer payments.....	...	...	...
58.90	Spending authority from offsetting collections (total discretionary).....	1	...	...
70.00	Total new budget authority (gross).....	95	99	114
Change in obligated balances:				
72.40	Obligated balance, start of year.....	9	12	10
73.10	Total new obligations.....	95	99	114
73.20	Total outlays (gross).....	-92	-101	-113
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	85	89	103
86.93	Outlays from discretionary balances.....	7	12	10
87.00	Total outlays (gross).....	92	101	113
Net budget authority and outlays:				
89.00	Budget authority.....	94	99	114
90.00	Outlays.....	91	101	113

ADMINISTRATIVE EXPENSES

PROGRAM AND PERFORMANCE

For 2011, \$113.6 million will fund the personnel and support costs associated with the management and administration of federal public transit programs. FTA plans to expand its workforce to address current urban and rural transportation challenges, promote livable and sustainable communities and expand efforts to reduce greenhouse gas emissions and energy consumption. Additional resources within this request will support the Office of Safety to administer a new transit safety oversight program.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
ADMINISTRATIVE EXPENSES**

Object Classification (in thousands of dollars)

Identification code : 69-1120-0-1-401	2009 Actual	2010 Est.	2011 Est.
Direct obligations:			
Personnel Compensation:			
11.1	50,411	53,067	60,706
11.3	1,540	1,636	1,669
11.9	51,951	54,703	62,375
12.1	12,794	14,384	15,672
21.0	1,630	1,809	2,481
22.1	44	32	78
23.1	6,226	6,823	8,076
23.3	599	643	712
24.1	230	323	264
25.2	18,595	19,392	22,886
26.1	312	392	431
31.0	1,668	410	584
99.0	94,049	98,911	113,559
Reimbursable obligations:			
25.2	452	500	500
99.0	452	500	500
99.9	94,501	99,411	114,059

Employment Summary

Identification code : 69-1120-0-1-401	2009 Actual	2010 Est.	2011 Est.
Direct:			
Total compensable workyears: Full-time equivalent employment.....	512	517	567

**FEDERAL TRANSIT ADMINISTRATION
ADMINISTRATIVE EXPENSES
Appropriation Summary by Program Activity
(\$000)**

	FY 2009 ACTUAL	FY 2010 ENACTED	FY 2011 REQUEST	CHANGE FY 2010- FY 2011
<u>Personnel and Support</u>				
Personnel Compensation & Benefits	\$64,745	\$69,178	\$73,851	4,673
Travel	1,630	1,809	2,200	391
Transportation of Things	44	32	78	46
Rent (GSA and Other)	6,226	6,823	7,700	877
Communications & Utilities	61	72	87	15
Printing & Reproduction	230	232	264	32
Other Services	6,291	6,770	8,145	1,375
Other Services – WCF	2,844	2,966	3,433	467
Supplies & Materials	312	392	431	39
Equipment	<u>213</u>	<u>56</u>	<u>60</u>	<u>4</u>
Subtotal	82,596	88,330	96,249	7,916
<u>IT Investments</u>				
Communications & Utilities	565	571	625	54
Other Services	5,329	5,475	6,232	757
Other Services – WCF	4,104	4,181	4,421	240
Equipment	<u>1,455</u>	<u>354</u>	<u>524</u>	<u>170</u>
Subtotal	11,453	10,581	11,802	1,221
Subtotal - Administrative Expenses	<u>\$94,049</u>	<u>\$98,911</u>	<u>\$108,501</u>	<u>\$9,140</u>
FTEs	<u>517</u>	<u>517</u>	<u>537</u>	<u>20</u>
<u>Office of Safety</u>				
Personnel Compensation & Benefits			\$4,196	\$4,196
Travel			281	281
Rent (GSA and Other)			376	376
Other Services			<u>655</u>	<u>655</u>
Subtotal – Office of Safety			<u>\$5,508</u>	<u>\$5,508</u>
FTEs			<u>30</u>	<u>30</u>
Total – Administrative Expenses	<u>\$94,049</u>	<u>\$98,911</u>	<u>\$113,559</u>	<u>\$14,648</u>
FTEs	<u>517</u>	<u>517</u>	<u>567</u>	<u>50</u>

Program and Performance Statement

This account provides necessary resources to fund Administrative Expenses for the Federal Transit Administration (FTA). Funding supports personnel compensation and benefits, travel, space rental, communications and utility costs, contractual support services, supplies and equipment needs for FTA's workforce. It supports the Secretary's and Administration's commitment to public transportation, its affect on livable and sustainable communities and its ability to help reduce greenhouse gas emissions and energy consumption, thus reducing America's dependence on foreign oil. FTA's FY 2011 budget request advances the Administration's domestic and fiscal priorities to initiate place-based planning and programs.

In addition, in FY 2011 FTA requests resources to support a new and expanded Office of Safety in coordination with the new Rail Transit Safety Oversight Program. The new Office of Safety will support and implement the Administration's rail transit safety legislation, the "Public Transportation Safety Program Act of 2009." The Administration's legislative proposal was transmitted to Congress on December 7, 2009, and would strengthen and expand federal regulatory oversight of rail-transit safety.

The FTA requests a total of \$113.6 million for administrative expenses in FY 2011, an increase of \$14.7 million over the FY 2010 enacted level. The request of \$108.1 million will fully fund current workforce salary and benefit costs plus 20 additional full-time equivalent work years of effort (FTE), contractual services, rent, travel, and information technology (IT) requirements to ensure that FTA stewardship of Federal transit funds meet this Administration's high standards, particularly as they relate to increased stewardship and eliminating and preventing waste, fraud, and abuse. This budget also requests 30 FTE and associated costs (\$5.5 million) to support a new Office of Safety to implement and oversee the new Rail Transit Safety Oversight Program.

ADMINISTRATIVE EXPENSES
Summary Analysis of Change from FY 2010 to FY 2011
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

	Change From FY 2010 to FY 2011	FY 2011 PC&B by Program	FY 2011 FTEs by Program	FY 2011 Contract Expenses	Total
FY 2010 Base (Enacted Level)					
Administrative Expenses Appropriations, Obligation Limitations, and Exempt Obligations					\$98,911
Adjustments to Base					
FY 2010 pay raise of 2.0%	418				
FY 2011 pay raise of 2.0% incl. WIG	1,440				
Travel and Transportation of Things	10				
Rents (GSA and other)	766				
Communications and Utilities	1				
Printing	2				
Other Services	34				
Working Capital Fund increases	467				
Supplies	2				
Equipment	0				
Information Technology	272				
Subtotal, Adjustments to Base					3,412
New and Expanded Programs					
FY 2011 pay raise of 2.0% (+20 FTE)	2,804				
Other PC&B – PCS	10				
Travel	382				
Transportation of Things	45				
Rents	111				
Communications and Utilities	14				
Printing	30				
Other Services	1,341				
Working Capital Fund increases	0				
Supplies	37				
Equipment	4				
Information Technology	949				
Subtotal New or Expanded Programs					5,728
Subtotal Request					\$108,051
Office of Safety					
FY 2011 pay for 30 FTE ^{1/}	4,196				
Travel	281				
Rents	376				
Other Services	655				
Subtotal Office of Safety					\$5,508
Total Request					\$113,559

^{1/} Includes legal counsel and public affairs positions.

Detailed Justification for Personnel Compensation and Benefits:

Personnel Compensation and Benefits	FY 2011 Request: \$73,851,000
Overview:	
<p>Public transportation ridership is expected to grow nationwide by more than twenty-five percent over the next decade. Growth could be even higher depending on Federal, state and local efforts to reduce greenhouse gas emissions, including strategies that promote public transit. Policies that promote livable and sustainable communities rely on efficient and effective public transportation to be successful. Whether its improvements to existing bus or rail systems to maintain a state of good repair, or building new systems in high-growth areas of the country, funding for public transportation must grow if our goal is livable and sustainable communities.</p>	
<p>Personnel compensation and benefits includes regular salaries and benefits paid to full-time, part-time, temporary, and intermittent employees. Other costs included under this object class include: lump-sum payments for annual leave upon separation; overtime, holiday pay, night pay differential, post differentials, and hazardous duty pay; cash incentive awards; special personal services payments; relocation and other expenses related to a permanent change of station; student loan repayments; worker's compensation payments; and benefits for former officers and employees or their survivors that are based (at least in part) on the length of service to the Federal government, such as unemployment compensation.</p>	
<p>Approximately 83 percent of the funding requested in FY 2011 covers personnel compensation and benefits, rent, and essential non-IT services billed through the Department's Working Capital Fund (WCF). Another ten percent covers FTA's information technology (IT) investments, including FTA's Transportation Electronic Award and Management (TEAM) grant-making system, local and long distance telephone services, and the upgrade and replacement of IT equipment. The remaining seven percent covers travel, training, printing, supplies, equipment, and other miscellaneous contractual services.</p>	
<p>The FTA is requesting an additional 20 FTE and 40 full-time positions (FTP) to better perform our core mission and functions. Having adequate staffing levels with the right skill sets in place will improve the agency's stewardship of Federal funds, provide essential technical assistance to create better transit projects during the planning stages, increase financial and project management oversight reviews and focus on overall financial and internal control compliance of grantees during our every three-year triennial reviews.</p>	
FY 2010 Base:	
<p>Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.</p>	

Anticipated FY 2010 Accomplishments:

- To continue to invest in human capital to enable FTA to recruit and retain the talent and diverse workforce essential to achieve Departmental and FTA performance objectives.
- To fully utilize 517 FTE.
- Enactment of the Administration's rail transit safety legislation, the "Public Transportation Safety Program Act of 2009." transmitted to Congress on December 7, 2009. This legislation will strengthen and expand federal regulatory oversight of rail-transit safety.
- To start hiring actions to support the new Office of Safety so that the FTA is able to hit the ground running at the beginning of FY 2011.

FY 2011 Budget Request:

FTA requests \$73.9 million in FY 2011 to fully fund core salaries and benefits, overtime, employee awards, student loan repayments (recruitment tool), and relocation expenses related to a permanent change of station for 537 FTEs, 20 additional FTE over FY 2010. This represents the staff and funding needed to support current core operational levels.

This request includes 20 additional FTE. Annualizing FTE will fill 40 new positions in support of core operations to enable us to increase stewardship of our \$10 billion. In addition, 30 new FTE are requested to support the new and expanded Office of Safety in FY 2011, bringing the total additional FTE in this request to 50 FTE and up to 100 new positions in FY 2011.

FTA is committed not only to continuous improvement of the New Starts and Small Starts project development process, but also to identifying possible significant changes and streamlining opportunities. In FY 2011, FTA reformats and restructures its programs and accounts to reflect the Administration's emphasis on livable and sustainable communities and priorities to reduce greenhouse gas emissions (GHG) and address climate change. To meet these goals, FTA's workforce must include additional community planners, environmental specialists, engineers and financial analysts to ensure programs and projects are designed and implemented in the most environmentally friendly, community based and cost-efficient and cost-effective manner. Having adequate staffing levels in place, with the right skill-sets, will ensure good customer service and good stewardship of Federal funds.

FTA completed a workforce analysis conducted with the assistance of a consultant. The scope included an in-depth analysis of FTA's workforce, key functional areas at risk and strategies to close mission-critical gaps. The analysis included a five step approach including: 1) understanding the lines of business, 2) workforce supply analysis, 3) workforce demand analysis, 4) workforce gaps/risk analysis and 5) workforce recommendations. The contractor worked with management to identify workload drivers and workforce gaps, and develop mitigation strategies to close the gaps, such as training and assignment of new staff in targeted occupations. The report findings suggest that significant staff increases are needed to meet current workload demands.

FTA seeks to improve its customer service and image by providing full services to its grantees. A 2008 Customer Survey of state and local governments and transit authorities reported that FTA's customer satisfaction clearly suffered in *"The ability of FTA staff to provide on-site technical services or participate in on-site meetings."* One-third of FTA's grant recipients were generally "dissatisfied" with the availability of FTA staff to make on-site visits to provide technical assistance and guidance. In fact, many of the grantees suggested that FTA really means "Failure To Appear." This additional funding will help improve FTA's ability to provide better customer.

Explanation of Funding Changes for Personnel Compensation and Benefits:

Personnel Compensation and Benefits	\$4,673,000
<p>At the FY 2010 enacted level, an increase of \$1,858,000 is requested for Personnel Compensation and Benefits. This amount includes: \$418,000 for the annualized FY 2010 2% pay increase, and \$1,440,000 for the annualized FY 2011 pay raise of 2.42% (Washington DC metro area locality pay), including required awards, recruitment funding (student loan repayments) and terminal leave. In addition, based on the rate of retirements, FTA will need to increase terminal leave payments for a larger number of individuals.</p> <p>In FY 2011, FTA requests an increase of \$2,804,000 to cover the cost of 20 additional FTE for its current core operations. As part of this request, FTA also requests an increase of \$10,000 for additional PCS funding related to the increase in FTEs. The funding for 30 FTE for the new Office of Rail Transit Safety is discussed at the end of the section.</p> <p>To meet its customer service goals FTA will need to expand its workforce to include more community planners, environmental specialists, engineers, contract administration specialists, and financial analysts to ensure programs are designed and implemented in the most efficient and cost-effective manner. The emphasis will increase on providing technical assistance and guidance, expertise in planning, land use management, and innovative financing. Having adequate staffing levels with the right skill-sets in place will improve the agency's customer service and stewardship of Federal funds.</p>	

Detailed Justification for Travel and Transportation of Things:

Travel and Transportation of Things	FY 2011 Request: \$2,278,000
<p>Overview: Funding will provide for the travel and transportation costs of government employees and other persons while in authorized travel status that are to be paid by the government either directly or by reimbursing the traveler. This includes both travel away from official duty stations, subject to regulations governing civilian and military travel, and</p>	

local travel and transportation of persons in or around the official duty station of an employee. Transportation of things, the care of such things while in the process of being transported, and other services incident to the transportation of things are also included under this heading.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

- To conduct on-site project management oversight meetings to ensure that New Starts projects in final design and under construction are on time and on budget.
- To participate in statutory required triennial reviews of at least 160 grantees nationwide to assess compliance with Federal and administrative requirements for receiving grant assistance.
- To conduct state and metropolitan planning reviews.
- To participate in inter-modal program activities with the Federal Railroad Administration, the National Highway Traffic Safety Administration, and the Federal Highway Administration.

FY 2011 Budget Request:

FTA requests \$2.2 million to meet the growing requirements of providing technical guidance to and oversight of all aspects of the Federal transit program. This is an increase of \$0.4 million. Funding will provide for the oversight of grants, for outreach to the transit industry to explain new regulations and program guidance, and for industry training. FTA also must: be on-site to carry out planning certifications, triennial reviews, and project and financial management oversight; participate in conferences; and provide technical assistance to over 640 grantees in urban areas and an estimated 1,300 rural transit providers nationwide.

Additional travel resources in FY 2011 are needed to help address the results of the 2008 Customer Survey which reported that FTA's customer satisfaction clearly suffered in "The ability of FTA staff to provide onsite technical services or participate in on-site meetings." This level of travel funds and increased staff will improve Federal stewardship of FTA funds and provide better customer service to grantees.

"Over the past 15 years I have administered millions of dollars of bus purchases, transfer center construction, and facility renovation and expansion and am yet to have an FTA representative at a grand opening. I understand this is due to a restricted travel budget. Our service has grown and our ridership is increasing 9% annually and we want them to come and see what we are facing." May 2008, FTA's customer satisfaction survey of grant recipients.

FTA also requests \$78,000 in Transportation of Things in order to provide additional funding for PCS requirements.

Because of travel ceilings directed by Congress of \$1.8 million in the last two fiscal years, FTA has reviewed its travel patterns and has taken steps to maximize its travel funding. Beginning in FY 2009, FTA realized administrative cost savings by expanding teleconferencing. Several headquarters conference rooms and each regional office conference room have video conferencing capabilities. As a result, more meetings involving headquarter and regional staff took place via video-conferencing, including, for example, biweekly Regional Administrator’s meetings, Executive Management Team (EMT) meetings, and weekly meetings on the status of the American Recovery and Reinvestment Act, 2009 (ARRA) funding. Headquarters and regional administrators meet, share information and discuss matters of importance to the agency.

FTA is also saving travel funds through the use of webinars. These are training programs conducted on-line. FTA has used webinars extensively for training grantees on Section 1512 Reporting required by the ARRA. In addition, because of limited travel funds the training program for Project Management Oversight held in September 2009 was converted to a webinar. Approximately 15 people were scheduled to travel from the regions to Washington, D.C. to attend the class. The average trip costs approximately \$1,500 per person per trip. This means that approximately \$22,500 of travel costs was avoided.

The FTA will continue to pursue these avenues to reduce our travel needs. However, often hands-on assistance and on-site visits are needed by new grantees or high-risk projects. FTA must continue to travel to oversee and manage over \$10 billion in resources in FY 2011. This, in combination with an additional 50 new staff requires increased travel funds in order to ensure that the agency has a presence at oversight meetings (e.g. triennial reviews, community planning events, various types of audits).

Explanation of Funding Changes for Travel and Transportation of Things:

Travel and Transportation of Things	\$437,000
<p>An increase of \$10,000 is requested to cover the inflationary costs of travel. This is based upon the 0.5% inflationary baseline increase for FY 2011.</p> <p>This coupled with a request for \$382,000 for additional travel will provide the needed funding at the increased program levels to provide technical assistance and oversight. Additional travel will help address the results of the 2008 Customer Survey which reported that FTA’s customer satisfaction to provide grantees with technical assistance and to be present at Quarterly Reviews, planning and oversight meetings.</p> <p>The FTA is requesting an inflationary increase of \$1,000 for Transportation of Things and a program increase of \$45,000. The program increase is related to FTA’s plan to provide additional technical services and engage our grantees more actively. Part of this increase is also needed to transport government property between headquarters and regional offices as the FTA brings on the additional staff requested in FY 2011.</p>	

A total of \$391,000 is needed for additional travel and \$46,000 will be needed for Transportation of Things.

Detailed Justification for Rent (GSA and Other):

Rent (GSA and Other)	FY 2011 Request: \$7,700,000
Overview:	
<p>Rent costs reflect payments to the General Services Administration (GSA) and other non-GSA facility managers for rental of space and rent-related services, as well as physical security improvements required by the Department of Homeland Security. Monthly rent payments for the headquarters building, nine of FTA’s regional offices, and all associated metropolitan offices are made to GSA. The Boston Regional Office space is rented through the Volpe National Transportation Systems Center.</p> <p>In addition to Boston, FTA also has regional offices located in New York, Philadelphia, Atlanta, Chicago, Fort Worth, Kansas City, Denver, San Francisco, and Seattle.</p>	
FY 2010 Base:	
<p>Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.</p>	
Anticipated FY 2010 Accomplishments:	
<p>FTA will review all lease agreements to identify opportunities for future cost savings and more efficient space utilization.</p>	
FY 2011 Budget Request:	
<p>FTA requests \$7.7 million to fund rent and security payments for the headquarters building, ten regional offices, and all associated metropolitan offices.</p>	

Explanation of Funding Changes for Rent (GSA and Other):

Rent (GSA and Other)	\$877,000
<p>The FTA will have space rental costs of \$7,589,000 in FY 2011. The FTA has rental costs at the national headquarters in the DOT building as well as rental obligations for 10 Regions throughout the country. As a result, the FTA will need an additional \$766,000 in FY 2011 resources to cover this cost.</p> <p>In FY 2011, the FTA requests an additional \$111,000 to cover potential increased rental payments charged by GSA and Volpe for regional and metropolitan offices. Additional FTE requested in this budget will require additional space in the headquarters and regional offices. This in-turn will increase the real estate tax obligations for the agency.</p>	

Detailed Justification for Communications and Utilities:

Communications and Utilities	FY 2011 Request: \$87,000
Overview: Funding for communications and utilities will provide for postage, contractual mail and messenger services, and rental of postage meter machines.	
FY 2010 Base: Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.	
Anticipated FY 2010 Accomplishments: FTA will review all postal costs to validate the source of the cost and to identify opportunities for future cost avoidance or improvements in service.	
FY 2011 Budget Request: FTA requests \$87,000 in FY 2011 to cover messenger services for headquarters and regional office staff and the rental of postage meters in its ten regional offices.	

Explanation of Funding Changes for Communications and Utilities:

Communications and Utilities	\$15,000
An increase of \$1,000 is requested to cover the inflationary costs of communications and utilities. This is based upon the 0.5% inflationary baseline increase for FY 2011.	
It is anticipated that there will be a significant increase in communications costs, including telecommunication and video conferencing, associated with FTA reformatting and restructuring activities as the agency merges and expands its grant programs. Interaction with grantees and partnerships with other government agencies dealing with livable communities and climate change related programs will be expanded. As a result, FTA is requesting an increase of \$14,000 for this object class.	

Detailed Justification for Printing and Reproduction:

Printing and Reproduction	FY 2011 Request: \$264,000
Overview: Printing and reproduction costs include Federal Register notifications, printed envelopes and letterhead, photo composition, photography, and related composition and binding operations performed by the Government Printing Office and other agencies. Extensions of authorizing legislation and continuing resolutions require partial year apportionment allocations to our grantees. Federal Register costs account for approximately 90% of all printing costs.	
FY 2010 Base: Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A,	

Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.
Anticipated FY 2010 Accomplishments: FTA will to review all printing costs to validate the source of the cost and to identify opportunities for savings or improvements in service.
FY 2011 Budget Request: FTA requests \$264,000 to cover costs associated with printing Federal Register announcements, agency budget submissions, the Annual New Starts Report to Congress, and other agency publications.

Explanation of Funding Changes for Printing and Reproduction:

Printing and Reproduction	\$32,000
An increase of \$2,000 is requested to cover the inflationary costs of Printing and Reproduction. This is based upon the 0.5% inflationary baseline increase for FY 2011.	
In FY 2011, the FTA anticipates providing guidance and technical assistance to our grantees, the transit industry, and the transit riding public through a multi-media approach, which includes the use of electronic mail. We estimate that this will cost an additional \$30,000.	

Detailed Justification for Other Services:

Other Services	FY 2011 Request: \$11,578,000
Overview: Other Services includes tuition for the general education of FTA employees, contractual purchases of goods and services, operation and maintenance of facilities and equipment, and Departmental administrative costs billed through the Working Capital Fund (WCF).	
The FTA sends staff to professional development programs as a means of ensuring that staff is adequately trained and has the necessary skill sets needed to perform the variety of tasks assigned to them. These classes include certification programs in grant management, project management community and environmental planning and a variety of analytical and information technology skills, financial and internal controls and other core business competencies.	
FTA is required to comply with Federal management statutes passed by Congress. Within the financial management arena, Congress has passed a number of legislative mandates intended to establish accountability within the Federal government. The Federal Managers Financial Integrity Act (FMFIA) provides internal controls guidance and sets guidelines for strengthening financial systems, reducing fraud, waste, and misappropriation of funds. FTA has enhanced its FMFIA program to include a more robust assessment of management controls. FMFIA guidance includes improved	

measures to enforce management accountability. FTA brought in a Federal-contracting firm to assist with the implementation of the updated policy guidance on FMFIA. The contractor performs FMFIA and Office of Management and Budget (OMB) Circular A-123 compliance assessments and documents and tests management controls relating to six key business processes within the agency. Business processes not included in this process were placed in a performance self-assessment initiative.

Funding for the Enterprise Services Center (ESC) in Oklahoma City, Oklahoma is included in this category. In an effort to standardize and improve financial management and reporting functions, the Department established a facility for centralizing accounting operations at the ESC. The Department's goal is to produce improved financial information and accounting services for the agency as a whole and to realize cost savings for each modal administration.

Funding for "other services" includes the Department's WCF (Working Capital Fund.) The WCF funds common services and building facilitates meant to create efficiencies and cost savings by: 1) promoting greater program effectiveness by placing service providers in the same organization; 2) allowing the Department to identify and eliminate redundancies; and 3) consolidating multiple administrative functions into a single operational unit to improve service delivery, increase security, and reduce costs.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

- To review all contractual service costs to validate the source of the cost and to identify opportunities for future cost avoidance or improvements in service.
- To complete the transition of accounting operations begun in FY 2007, to the Enterprise Services Center (ESC) in Oklahoma City, Oklahoma. In an effort to standardize and improve financial management and reporting functions, the Department established a facility for centralizing accounting operations at the ESC. The Department's goal is to produce improved financial information and accounting services for the agency as a whole and to realize cost savings for each modal administration. Accounting operations being transitioned include: accounting for reimbursable agreements; travel authorization and payments; commercial payments; accounts receivable; general accounting; and financial reporting and analysis.
- To receive a clean audit opinion on FTA's FY 2010 financial statements. A clean financial audit is a basic prescription for any well-managed agency.
-

FY 2011 Budget Request:

The FY 2011 budget requests \$1,200,000 for training and career development of FTA

employees. This is approximately 2% of overall salaries, a recognized industry standard. In addition, an expanded highly skilled workforce will require continued training to meet certification requirement to maintain professional credentials.

A total of \$3,426,000 is requested to provide for: centralized accounting operations provided by the ESC (Enterprise Services Center in Oklahoma City, Oklahoma); FMFIA and OMB Circular A-123 support; and the annual audit of FTA financial statements. In addition, \$2,532,000 is requested for other mission critical financial operations such as DOT Financial Statements and Financial Management Business (\$273,000), the FMFIA and A-123 internal controls (\$682,000), Electronic Clearinghouse Operations (\$1,047,000), the procurement system - PRISM (\$280,000), and Continuity Of Operations and computer security (\$250,000) in FY 2011.

A total of \$987,000 is requested to cover operational contracts and services throughout the agency. They include regional functions such as facilities (parking, health facility contributory payments, equipment maintenance contracts) in the regions (\$33,000), and headquarters requirements for program specific programs such as the Honors for Attorney's program (TCC - \$100,000), Crises Management Center support for OST (\$200,000), the Drug and Alcohol Office in OST (\$100,000), headquarters building repair and maintenance (\$75,000), human resources support with WCIS and eOPF (\$240,000), headquarters health services (\$36,000), security investigations through OPM (\$75,000), and a list of other tasks spread throughout the agency (\$228,000).

A total of \$3,433,000 will be paid through the WCF for centrally managed administrative services, including building maintenance and utilities, transit benefits, library services, the Contract and Grant Information System, building security, and security investigations.

Explanation of Funding Changes for Other Services:

Other Services	\$1,842,000
<p>An increase of \$34,000 is requested to cover the inflationary costs of non-Working Capital Fund contractual services. This is based upon the 0.5% inflationary baseline increase for FY 2011.</p>	
<p>The FTA is requesting an additional \$100,000 for training. Individual employee training is aligned with the employees' cost center and in FY 2009 was only \$500 per on-board employee. This level of funding will not pay for even one core competency course per employee. As a result, FTA requests to increase the amount for each employee to \$1,000 in FY 2011. Centralized training will provide more comprehensive agency-wide training, such as COTR training, course work at accredited universities, professional certifications and meeting continuing education requirements associated with re-certifications, the Federal Executive Institute, leadership and performance management, new supervisors training, team building, etc. It is anticipated that at this level of funding the agency will provide adequate training for its employees to meet the increased workload and new requirements.</p>	

FTA will be charged a higher fee for daily accounting operations at the Enterprise Service Center (ESC). The increase will total approximately \$163,000 in FY 2011. ESC plans to upgrade the Delphi accounting system software in FY 2011 to a newer version of Oracle. This upgrade will increase costs in the accounting and reporting system by 5% over FY 2010.

FTA requests \$350,000 for required security certifications for ECHO, DOTS, COOP and the NTD. Computer system security certifications are reviewed annually during the financial statement audit and can result in significant deficiencies if not kept up to date.

A total of \$282,000 is needed to fully fund contract support for FTA's Electronic Clearinghouse Operations (ECHO) grant payment systems. It is anticipated that the cross-service agreement with the FAA may terminate in FY 2010. FTA is currently cross-servicing FAA on grant payments. This agreement helps to share part of the cost of operating ECHO.

FTA also requests an increase of \$150,000 for PRISM (procurement system) in 2011. It is anticipated that FTA will merge its operations with the rest of DOT but it unclear if the merger will result in lower costs. There will be a transition period in which the FTA PRISM system and the OneDOT-PRISM will have to run parallel and data will have to be converted from the FTA system to the DOT system.

The remaining \$296,000 of non-WCF increase is divided among the various FTA organizations to meet their non-centralized Other Services needs.

Other Services funded through the Working Capital Fund (WCF) is \$467,000 higher than the FY 2010 level. This is a combination of \$15,000 of inflationary grown at the 0.5% level as well as \$452,000 of increase as identified in the OST FY 2011 WCF budget submitted to the FTA. These costs are based on FTA's share of services and building related expenses.

Detailed Justification for Supplies and Materials:

Supplies and Materials	FY 2011 Request: \$431,000
Overview: Supplies and materials covers office supplies, such as pencils, paper, calendar pads, and notebooks for headquarters and regional office staff. Supply funding also covers publications, including periodicals, pamphlets, books, and newspapers.	
FY 2010 Base: Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.	
Anticipated FY 2010 Accomplishments: FTA will review all supply and material costs to validate the source of the cost and to	

identify opportunities for future cost avoidance or improvements in service.
FY 2011 Budget Request: FTA requests \$431,000 in FY 2011 to cover office supplies for headquarters and the regional offices.

Explanation of Funding Changes for Supplies and Materials:

Supplies and Materials	\$39,000
An increase of \$2,000 is requested to cover the inflationary costs of Supplies. This is based upon the 0.5% inflationary baseline increase for FY 2011.	
The FTA is requesting an additional \$37,000 to cover the anticipated supply needs of the agency in FY 2011. The combination of bringing our FTE level up to ceiling and the additional staff requested will require additional supplies.	

Detailed Justification for Equipment:

Equipment	FY 2011 Request: \$60,000
Overview: Equipment funding will provide for miscellaneous office furniture and fixtures for FTA headquarters and regional staff.	
FY 2010 Base: Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.	
Anticipated FY 2010 Accomplishments: FTA will review all equipment costs to validate the source of the cost and to identify opportunities for future cost avoidance or improvements in service.	
FY 2011 Budget Request: A total of \$60,000 is requested in FY 2009 to upgrade or replace miscellaneous office equipment in headquarters and the regions.	

Explanation of Funding Changes for Equipment:

Equipment	\$4,000
The FTA is requesting an increase of \$4,000 for general equipment purchases in FY 2011. This will purchase a variety of small items necessary for the continued operations of the agency. Examples include replacement chairs and file cabinets for regional offices and equipment to support regional staff and headquarter personnel.	

Detailed Justification for Information Technology Investments:

Information Technology Investments

FY 2011 Request: \$11,802,000

Overview:

Financial systems include the Electronic Clearing-House Operations (ECHO) grant payment systems, our Delphi accounting system - FTA relies heavily on electronic information to process grant applications, execute awards and provide oversight through the TEAM system. Our grantees use FTA's ECHO system to submit on-line payment requests, which are electronically disbursed directly to their banks. The TEAM and ECHO systems interface with each other, the Department's accounting system, and other external information and financial systems, and therefore must maintain information security. FTA continues to work with the Department's Chief Information Officer (OCIO) to implement a Common Application Service Environment.

The Federal government must effectively manage its portfolio of capital assets to ensure scarce public resources are wisely invested. Capital programming integrates the planning, acquisition, and management of capital assets into the budget decision-making process. It is intended to assist agencies in improving asset management and in complying with the results-oriented requirements of:

- The Government Performance and Results Act of 1993 establishes the foundation for budget decision-making to achieve strategic goals in order to meet agency mission objectives;
- The Federal Managers Financial Integrity Act of 1982, the Chief Financial Officers Act of 1990, and the Federal Financial Management Improvement Act of 1996, require accountability of financial and program managers for financial results of actions taken, control over the Federal government's resources, and protection of Federal assets;
- The Paperwork Reduction Act of 1995, requires agencies to perform their information resources management activities in an efficient, effective, and economical manner;
- The Clinger-Cohen Act of 1996, requires agencies to use a disciplined capital planning and investment control process to acquire, use, maintain, and dispose of information technology;
- The Federal Information Security Management Act requires agencies to integrate IT security into their capital planning and enterprise architecture processes, conduct annual IT security reviews of all programs and systems, and report the results of those reviews to OMB.
- Homeland Security Presidential Directive (HSPD) 12 - Per the Memorandum of May 4, 2009 entitled "DOT Information Technology and Information Assurance Guidance Number 2009-0002: e-Authentication and Access Control, the Office of

the Chief Information Officer (OCIO) requested all DOT operating administrations to provide detailed action plans for implementing logical access mechanisms. These detailed plans must comport with the overall access management program plan and framework developed by the DOT OCIO to meet the requirements of HSPD 12, and included estimated overall and system or site-specific implementation costs and detailed implementation milestones.

FY 2010 Base:

Budgetary resources provided in the Consolidated Appropriations Act, 2010, Division A, Title I, Department of Transportation, Pub Law 111-117 signed December 16, 2009.

Anticipated FY 2010 Accomplishments:

- Upgrade of the Delphi accounting system to Oracle 12.FSIO, will require a total reimplementation of the system and a complete data conversion. Major benefits and improved functionality will include: (1) the Federalized Project Accounting Module; (2) budgetary to proprietary accounting; (3) automated prior-year recovery; (4) XML-based data extracts that will replace many current reports created using desktop tools such as Word, Excel, or Acrobat; (5) an enhanced view of financial information across the Department; (6) a completely new technical architecture for the application (sub-ledger architecture versus sets of books); and (7) an enhanced ability to tie costs to strategic goals and performance metrics.
- Enhanced on-site oversight, technical assistance, cost of operations, and telecommuting by supplying portable technology equipment at the desktop level. Since these devices will be configured within agency standards, cyber-security at FTA and the Department is enhanced.
- TA will establish a security baseline for its Transportation Electronic Award Management system (TEAM) and ECHO-web to address a long-standing financial management audit finding.
- FTA will redesign its public website to enhance public engagement, accessibility of data and web-site capabilities.

FY 2011 Budget Request:

FTA recognizes that a sound technical foundation needs to be in place before E-gov services can be offered reliably and effectively, both internally and externally to the public. The Federal governments E-gov initiative serves citizens, businesses, and Federal employees by delivering high quality services more efficiently at a lower price. FTA requests a total of \$11.802 million for the following IT investments in FY 2011 to help meet the agency's strategic goals and mission and to support government-wide initiatives.

IT Investment (\$000)	FY 2009 Enacted	FY 2010 Enacted	FY 2011 Request
Common Operating Environment/ Infrastructure <i>(Includes desktop, server, directory, and messenger services, all of which are billed through the Department's WCF)</i>	2,946	3,071	3,137
TEAM Grant-Making System	2,699	2,726	3,549
Enterprise Architecture <i>(Includes licensing and support)</i>	225	227	217
Web Applications <i>(Includes Westlaw legal research services and internal applications support)</i>	2,004	2,024	2,039
Voice, Cable, and Wireless Communications <i>(Includes: voice, cable, wireless, and inter-modal data network services; network engineering; and IT security, all of which are billed through the WCF. Also includes FTA local and long distance telephone services)</i>	1,725	1,779	1,919
Technology For Mission Support <i>(Includes IT equipment maintenance, repairs, upgrades, and replacement and certification and accreditation of FTA IT systems)</i>	472	477	480
Human Resources Systems and Support	277	277	461
TOTAL	\$10,348	\$10,581	\$11,802

1/ Funds for operations of financial systems are not included in this table. Operations costs are reflected in the Other Services line of the Financial Resources portion of the Exhibit II-6.

Explanation of Funding Changes for Information Technology Investments:

Information Technology Investments	\$1,221,000
<p>An increase of \$1,221,000 is requested in FY 2011 to provide for the escalating maintenance and support costs of FTA's various IT systems, a comprehensive range of mission critical web-based support systems, the ECHO payment system, the TEAM grant-making system and HR electronic systems and support as well as digital communications.</p> <p>Inflationary increases of 0.5% account for \$53,000 of the increase to the base level. The remaining \$219,000 of the increase to the base is the identified increase in Working Capital Fund charges based upon OST's latest estimate. This item is non-negotiable and therefore requested at the OST estimate level in FY 2011.</p> <p>The FTA is requesting an additional \$949,000 for FY 2011. They include increased telecommunications costs of \$51,000. Telephone (local and long distance) are anticipated to increase more than the 0.5% inflation rate provided for both FY 2010 and FY 2011. An increase of \$730,000 is requested for Contractual Services and an increase</p>	

of \$168,000 for equipment upgrades is also requested.

An additional \$823,000 (for a total of \$3.5 million) is being requested for TEAM – the FTA grant management system. TEAM supports the application, review, award, management, reporting and closeout of FTA funds across all funding programs and is the system of record for FTA funds, customers and the projects being funded. It also provides budget tracking support for funding programs, interfaces with FTA accounting (Delphi) and other systems including the Oversight Tracking system (OTRAK) and the Grants Notification System (GNS), and aligns seamlessly with the Grants.gov “Find” and “Apply” processes. Significantly higher FTA program funding and the increased number of new programs have resulted in increased numbers of grants and active users. In FY 2009, there were over 3,148 FTA grants and projects worth over \$15.4 billion (\$8.0 billion trust and appropriated grant funds and \$7.4 billion ARRA) in TEAM.

For example, in FY 2009 the American Recovery and Reinvestment Act added \$8.4 billion to FTA’s grant portfolio. New reporting and records requirements were programmed into TEAM in order to meet statutory Department and OMB guidelines. In FY 2011, FTA will reformat and restructure its programs and accounts to reflect the Administration’s emphasis on livable and sustainable communities and greenhouse gas and energy reduction. These changes will require set-up of new accounts and programming in TEAM.

In FY 2011, the FTA plans a major effort to transition to an Oracle database structure. These will result in more effective database management, data integrity and enhanced data retrieval and reporting capabilities. It will also enable the FTA to convert the existing database from its flat file structure to a more modern relational database. The transition to Oracle will also reduce future programming costs because less specialized resources will be required to support and maintain the database.

Increased funding is also needed to maintain FTA’s web-based applications, including existing internet and intranet sites. FTA will focus on expanding its ability to support the President’s Open Government Initiative and expand its ability to engage and provide information to FTA community, clients and the American public by incorporating Web 2.0 technology.

An increase of \$184,000 in the Human Resources Systems and Support area is requested to support costs associated with Human Resources programs that are mandated by the Office of Personnel Management and OMB including the electronic personnel folders (eOPF). In addition, FTA requests \$125,000 to implement an automated Performance Appraisal Management system to enhance agency efficiency in managing agency fulfillment of OPM requirements.

The final IT investments component is the Equipment request of \$170,000 to replace aging workstations in the Regions. Regional desktop and laptop computer will be over four years old in some locations.

EXHIBIT III-1

**FEDERAL TRANSIT ADMINISTRATION
ADMINISTRATIVE EXPENSES – OFFICE OF SAFETY
Appropriation Summary by Program Activity
(\$000)**

	FY 2009 ACTUAL	FY 2010 ENACTED	FY 2011 REQUEST	CHANGE FY 2010- FY 2011
<u>Office of Safety</u>				
Personnel Compensation & Benefits			\$4,196	\$4,196
Travel			281	281
Rent (GSA and Other)			376	376
Other Services			<u>655</u>	<u>655</u>
Subtotal – Office of Safety			<u>\$5,508</u>	<u>\$5,508</u>
FTEs ^{1/}			30	30

1/ Includes additional legal counsel and communications and congressional affairs positions.

Detailed Justification for Office of Safety:

Office of Safety	FY 2011 Request: \$5,508,000
Overview:	
<p>FTA’s role in transit rail safety is extremely limited as a matter of Federal law. Our nation’s rail transit systems operate under two very different Federal safety regimes. Some FTA funded rail transit systems are governed by the Federal Railroad Administration (FRA) safety regulations while others are governed by the States. For example, commuter rail operations on the general system of railroads like Virginia Railway Express and Maryland Area Regional Commuter fall under FRA’s safety regulatory system that includes national safety standards and on-site spot inspections and audits by Federal technical specialists and inspectors with backgrounds in train control, track operations and other disciplines. FRA is also empowered to dictate operating practices and assess fines on these transit operators for any deficiencies found. On the other hand, for rail systems not subject to FRA oversight, such as the Washington Metropolitan Area Transit Authority (WMATA) and the New York City subway system, the State is expected to take the lead for oversight and require those systems to stand up a safety program. The State is then expected to monitor the transit system’s implementation of its safety program and FTA’s role is to set minimum requirements for States and to monitor the States’ implementation activities. FTA is prohibited by law from establishing national safety standards, requiring Federal inspections, or dictating operating practices.</p>	

Upon examining the limited FTA safety regulatory authority over transit and following several high profile rail transit accidents, the new DOT leadership determined that transit safety regulatory reform was needed. The existing program gives State oversight agencies (SSO) the responsibility to require that rail transit systems create a system safety program.

The SSO then monitors the implementation of that program by the transit agency. Most States lack the expertise, authority and resources to effectively carry out this function and the FTA has no authority to directly regulate rail transit systems or to establish minimum safety standards. This status quo is not acceptable.

To address the finding that the current State Safety Oversight (SSO) structure (with a few exceptions) lacks sufficient authority to provide for a uniform approach to transit system safety, the Secretary determined that the Department would provide more comprehensive Federal safety regulation, oversight, and enforcement. On December 7, 2009, the Secretary transmitted a legislative proposal to Congress -- the "Public Transportation Safety Program Act of 2009."

The legislative proposal would do three things. First, it would require the Secretary of Transportation to establish minimum Federal safety standards for rail transit systems not regulated by FRA. The legislation also provides the Secretary the option to establish a safety program for public transportation bus systems. Second, the Secretary would establish a program whereby a State would be eligible for Federal transit assistance to carry out a Federally-approved public transportation safety program. A State would not be preempted from establishing a more stringent safety standard if the standard meets certain criteria, and the Secretary would enforce the Federal safety standards absent a State's participation. Third, the program would ensure that a State agency overseeing transit systems would be fully financially independent from the transit system it oversees.

The team of safety officials and experts within the Department developed options for transit safety reforms. The results of this effort is FTA's request for \$24.1 million for a new Rail Transit Safety Oversight Program in a separate account and \$5.5 million under Administrative Expenses to fund administrative costs of 30 FTE -- 27 FTE in FTA headquarters Office of Safety and two additional legal counsel and one public affairs staff to implement and manage the Rail Transit Safety Oversight Program.

FY 2011 Budget Request:

The FTA is requesting \$5,508,000 to fund the administrative portion of the new Rail Transit Safety Program. The new FTA Office of Safety will be headed by an Associate Administrator for Safety reporting directly to the FTA Administrator. Its primary mission will be to improve the safety of public transit, sustain an acceptable performance level of system safety across public transportation services and facilities within its purview, and to develop and ensure compliance with FTA transit safety regulations. The staff will be expanded to meet the broader mission and increased functional responsibilities by hiring up to 60 employees to meet a total of 30 FTE in FY 2011.

The majority of the cost is \$4,196,000 to cover salaries and benefits for 30 new FTE. A total of \$281,000 is needed for travel. It is anticipated that employees of this office will travel more frequently than other employees throughout the fiscal year. \$376,000 is needed to cover space rental requirements for 30 new positions in both the headquarters and regional offices. A total of \$655,000 is budgeted for all other associated costs. This includes any mail/messenger services, printing, other services, and contractor support specifically for the new Safety Office, training, supplies and equipment needs.

The Office of Safety will consist of three offices, with functions described below:

The Office of Transit Safety Compliance will be responsible for ensuring safety-related performance standards and requirements are met by regulated transit operators. The staff will be the primary safety interface with State oversight agencies (SSO) and transit agencies. Activities will include monitoring SSO performance of or performing safety inspections/audits, accident investigations, safety, and management and oversight of the existing drug/alcohol prevention program. Execution of audits and other oversight functions by FTA staff will be done by a combination of Headquarters- and region-based staff. FTA field audit/inspection teams as well as SSO personnel will be overseen to ensure that FTA regulations are being complied with in the industry. This office also will perform periodic audits of SSO to ensure that they are meeting FTA requirements. Under this Office, five technical teams (one at HQ and four in the regions) will perform the bulk of inspection and audit activities. Each team will be comprised of a Team Lead and four technical specialists in track, signals, vehicles and transit operations. This office will work closely with Regional Offices and the Office of Program Management in conducting new project design and pre-operational safety reviews, as well as spot reviews for major rail rehabilitation projects.

The Office of Transit Safety Regulatory Development will be responsible for developing new (and revising existing) FTA safety regulations. It will be the primary program point of contact in FTA for the Department's Drug and Alcohol regulation. Identifying, developing and adopting performance standards and program regulations will be a primary focus of the office should FTA be vested by Congress with transit safety regulatory authority. To take advantage of extensive technical knowledge and capabilities existing in the industry, FTA would model a Federal Advisory Committee Act Transit Safety Advisory Committee (TSAC) after the Federal Railroad Administration Rail Safety Advisory Committee. As regulations are promulgated, this office will manage ongoing issues related to waivers, appeals, and interpretation in coordination with FTA Office of Chief Counsel.

The Office of Technical Assistance will provide training and certification programs, website management, voluntary bus safety programs, all hazards preparedness and DOT-CMC/COOP support, DHS coordination, safety and security risk and statistical analysis. This office will work closely with the Office of Program Management to ensure adequate integration of safety requirements occur within ongoing program requirements. This would include ensuring that FTA staff obtain and maintain an adequate level of training and technical assistance support. In addition, this office would develop a

strategy for training needs for the transit industry, and then develop curriculum and course offerings to support these needs. This office will also work closely with FTA Office of Research on studies that may be needed to advance the state of knowledge on particular emerging transit safety issues, or to support safety regulatory development.

A total of 60 new positions will be needed to staff these offices and provide legal counsel and public affairs support. In FY 2011, FTA plans to establish the new office and staff its positions. A total of 30 FTE is being requested in this FY 2011 budget and the remaining 30 FTE will be requested in the FY 2012 budget.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
TRANSIT CAPITAL ASSISTANCE, RECOVERY ACT**

Program and Financing (in millions of dollars)

Identification code : 69-1101-0-1-401	2009 Actual	2010 Est.	2011 Est.
Obligations by program activity:			
00.01	5,616	641	...
00.02	626	139	...
00.03	...	17	...
00.04	...	100	...
00.05	1	24	13
<hr/>			
10.00	6,243	921	13
Budgetary resources available for obligation:			
21.40	...	945	24
22.00	7,188	...	...
<hr/>			
23.90	7,188	945	24
23.95	-6,243	-921	-13
<hr/>			
24.40	945	24	11
New budget authority (gross), detail:			
Discretionary			
40.00	6,900	...	...
42.00	288	...	...
<hr/>			
43.00	7,188	...	...
Change in obligated balances:			
72.40	...	5,673	4,135
73.10	6,243	921	13
73.20	-570	-2,459	-1,884
<hr/>			
74.40	5,673	4,135	2,264
Outlays (gross), detail:			
86.90	570	...	...
86.93	...	2,459	1,884
<hr/>			
87.00	570	2,459	1,884
Net budget authority and outlays:			
89.00	7,188	...	...
90.00	570	2,459	1,884

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
TRANSIT CAPITAL ASSISTANCE, RECOVERY ACT**

Object Classification (in thousands of dollars)

		2009	2010	2011
Identification code : 69-1101-0-1-401		Actual	Est.	Est.
Direct obligations:				
11.1	Personnel compensation:.....	...	4,995	5,400
25.2	Other services.....	1,369	18,540	8,004
41.0	Grants, subsidies, and contributions.....	6,241,652	897,439	...

99.9	Total new obligations.....	6,243,021	920,974	13,404

Employment Summary

		2009	2010	2011
Identification code : 69-1101-0-1-401		Actual	Est.	Est.
1001	Civil full-time equivalent employment.....	5	37	40

TRANSIT CAPITAL ASSISTANCE GRANTS, RECOVERY ACT

PROGRAM AND PERFORMANCE

The American Recovery and Reinvestment Act (ARRA) of 2009 provided \$6.9 billion to fund transit capital assistance to create jobs to bolster the American economy. The Act provided transit capital assistance in the form of urbanized area formula grants, non-urbanized area formula grants and discretionary grants for transit on Indian reservations and a new Transportation Investments in Greenhouse Gas and Energy Reduction (TIGGER) program. The funds were used for eligible capital projects, preventive maintenance, acquisition of buses and rail rolling stock

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
TRANSIT CAPITAL ASSISTANCE, RECOVERY ACT**

Object Classification (in thousands of dollars)

		2009	2010	2011
Identification code : 69-1101-0-1-401		Actual	Est.	Est.
Direct obligations:				
11.1	Personnel compensation:.....	...	4,995	5,400
25.2	Other services.....	1,369	18,540	8,004
41.0	Grants, subsidies, and contributions.....	6,241,652	897,439	...
99.9	Total new obligations.....	6,243,021	920,974	13,404

Employment Summary

		2009	2010	2011
Identification code : 69-1101-0-1-401		Actual	Est.	Est.
1001	Civil full-time equivalent employment.....	5	37	40

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT, RECOVERY ACT**

Program and Financing (in millions of dollars)

Identification code : 69-1102-0-1-401	2009 Actual	2010 Est.	2011 Est.
Obligations by program activity:			
00.01	738	5	...
00.02	1	3	2
<hr/>			
10.00	739	8	2
Budgetary resources available for obligation:			
21.40	...	11	3
22.00	750	...	...
<hr/>			
23.90	750	11	3
23.95	-739	-8	-2
<hr/>			
24.40	11	3	1
New budget authority (gross), detail:			
Discretionary			
40.01	750	...	...
<hr/>			
Change in obligated balances:			
72.40	...	663	419
73.10	739	8	2
73.20	-76	-252	-192
<hr/>			
74.40	663	419	229
Outlays (gross), detail:			
86.90	76	...	...
86.93	...	252	192
<hr/>			
87.00	76	252	192
Net budget authority and outlays:			
89.00	750	...	...
90.00	76	252	192

**DEPARTMENT OF TRANSPORTATION
 FEDERAL TRANSIT ADMINISTRATION
 FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT, RECOVERY ACT**

Object Classification (in thousands of dollars)

		2009	2010	2011
Identification code : 69-1102-0-1-401		Actual	Est.	Est.
Direct obligations:				
25.2	Other services.....	756	2,744	2000
41.0	Grants, subsidies, and contributions.....	737,782	4,718	. . .
99.9	Total new obligations.....	738,538	7,462	2,000

FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT, RECOVERY ACT

PROGRAM AND PERFORMANCE

The American Recovery and Reinvestment Act (ARRA) of 2009 provided \$750 million to fund fixed guideway modernization grants to create jobs to bolster the American economy. The funds were apportioned under the existing multi-tiered allocation formula. The funds were used for eligible capital projects including purchase or rehabilitation of rail rolling stock and construction or rehabilitation of transit guideway systems, passenger facilities, maintenance facilities and security systems.

**DEPARTMENT OF TRANSPORTATION
 FEDERAL TRANSIT ADMINISTRATION
 FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT, RECOVERY ACT**

Object Classification (in thousands of dollars)

		2009	2010	2011
Identification code : 69-1102-0-1-401		Actual	Est.	Est.
Direct obligations:				
25.2	Other services.....	756	2,744	2000
41.0	Grants, subsidies, and contributions.....	737,782	4,718	...
99.9	Total new obligations.....	738,538	7,462	2,000

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
UNIVERSITY TRANSPORTATION RESEARCH**

Program and Financing (in millions of dollars)

Identification code : 69-1136-0-1-401	2009 Actual	2010 Est.	2011 Est.
Obligations by program activity:			
00.01 University Transportation Research
10.00 Total new obligations (object class 41.0).....
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year.....
23.95 Total new obligations.....
24.40 Unobligated balance carried forward, end of year.....
Change in obligated balances:			
72.40 Obligated balance, start of year.....	1	1	...
73.20 Total outlays (gross).....	...	-1	...
74.40 Obligated balance, end of year.....	1	...	...
Outlays (gross), detail:			
86.93 Outlays from discretionary balances.....	...	1	...
Net budget authority and outlays:			
89.00 Budget authority.....
90.00 Outlays.....	...	1	...

UNIVERSITY TRANSPORTATION RESEARCH

PROGRAM AND PERFORMANCE

In 2011, funding for University Transportation Research programs will be incorporated under the National Research and Technology account.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
JOB ACCESS AND REVERSE COMMUTE GRANTS**

Program and Financing (in millions of dollars)

Identification code : 69-1125-0-1-401	2009 Actual	2010 Est.	2011 Est.	
Obligations by program activity:				
00.01	Job access and reverse commute grants.....	3	7	5
10.00	Total new obligations (object class 41.0).....	3	7	5
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	15	12	5
23.95	Total new obligations.....	-3	-7	-5
24.40	Unobligated balance carried forward, end of year	-3	-7	-5
Change in obligated balances:				
72.40	Obligated balance, start of year.....	81	51	41
73.10	Total new obligations.....	3	7	5
73.20	Total outlays (gross).....	-33	-17	-11
74.40	Obligated balance, end of year.....	51	41	35
Outlays (gross), detail:				
86.93	Outlays from discretionary authority.....	33	17	11
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	33	17	11

JOB ACCESS AND REVERSE COMMUTE GRANTS

PROGRAM AND PERFORMANCE

In 2011, funds requested for the Job Access and Reverse Commute program are included in the Livable Communities account.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
RESEARCH TRAINING AND HUMAN RESOURCES**

Program and Financing (in millions of dollars)

		2009	2010	2011
Identification code : 69-1121-0-1-401		Actual	Est.	Est.
Change in obligated balances:				
72.40	Obligated balance, start of year.....	1	1	1
73.10	Total new obligations.....	1	1	1
74.40	Obligated balance, end of year.....	1	1	1
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	...	...	...

RESEARCH, TRAINING, AND HUMAN RESOURCES

PROGRAM AND PERFORMANCE

Since 2006, the activities funded in the Research, Training and Human Resources account have been funded in the Research and University Research Centers. This schedule shows the obligation and outlay of amounts made available in fiscal years prior to 2006.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
INTERSTATE TRANSFER GRANTS-TRANSIT**

Program and Financing (in millions of dollars)

Identification code : 69-1127-0-1-401		2009 Actual	2010 Est.	2011 Est.
Obligations by program activity:				
00.01	Interstate Transfer	...	1	...
10.00	Total new obligations (object class 25.2).....	...	1	...
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year.....	...	1	...
22.10	Resources available from recoveries of prior year obligations.....	1	...	...
23.90	Total budgetary resources available for obligation.....	1	1	...
23.95	Total new obligations.....	...	-1	...
24.40	Unobligated balance carried forward, end of year.....	1	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year.....	3	2	2
73.10	Total new obligations.....	...	1	...
73.20	Total outlays (gross).....	...	-1	-1
73.45	Recoveries of prior year obligations.....	-1	...	...
74.40	Obligated balance, end of year.....	2	2	1
Outlays (gross), detail:				
86.93	Outlays from discretionary balances.....	...	1	1
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	...	1	1

INTERSTATE TRANSFER GRANTS—TRANSIT

PROGRAM AND PERFORMANCE

This account funds transit capital projects substituted for previously withdrawn segments of the Interstate Highway System under the provisions of 23 U.S.C. 103(e)(4).

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FORMULA GRANTS**

Program and Financing (in millions of dollars)

		2009	2010	2011
Identification code : 69-1129-0-1-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Urban Formula Capital.....	5	20	19
00.02	Elderly and Disabled.....	1	1	1
00.03	Nonurban Formula.....	3	2	2

10.00	Total new obligations.....	9	23	22
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	81	81	58
21.45	Adjustments to unobligated balance carried forward start of year.....			
22.00	New budget authority (gross).....	1	...	...
22.10	Resources available from recoveries of prior year obligations.....	8	...	...

23.90	Total budgetary resources available for obligation.....	90	81	58
23.95	Total new obligations.....	-9	-23	-22

24.40	Unobligated balance carried forward, end of year.....	81	58	36
New budget authority (gross), detail:				
Discretionary				
43.00	Appropriation.....	1	...	...

58.00	Offsetting collections (cash).....	4	...	...
58.10	Change in uncollected customer payments from Federal sources (unexpired)	-4	...	...

58.90	Spending authority from offsetting collections (total discretionary).....	4	...	...

70.00	Total new budget authority (gross)	1	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year.....	1,977	1,238	626
72.45	Adjustment to obligated balance, start of year	...	...
73.10	Total new obligations.....	9	23	22
73.20	Total outlays (gross).....	-744	-635	-373
73.45	Recoveries of prior year obligations.....	-8	...	...
74.00	Change in uncollected customer payments from Federal sources (unexpired)	4	...	...

74.40	Obligated balance, end of year.....	1,238	626	275

(Continued on next page)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FORMULA GRANTS**

Program and Financing (in millions of dollars)
(Continued from previous page)

Identification code : 69-1129-0-1-401	2009 Actual	2010 Est.	2011 Est.
Outlays (gross), detail:			
86.90			

86.93	744	635	373
	-----	-----	-----
87.00	...	...	...
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00			
	4	...	...
Against gross budget authority only:			
88.95			
	-4	...	...
Net budget authority and outlays:			
89.00			
	1	...	...
90.00	740	635	373

FORMULA GRANTS

PROGRAM AND PERFORMANCE

In 2011, funds requested for all transit formula grant programs are included in the Transit Formula Grants account and funded exclusively by the Highway Trust Fund.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
DISCRETIONARY GRANTS**

Program and Financing (in millions of dollars)

		2009	2010	2011
Identification code : 69-8191-0-7-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Discretionary grants.....	2	3	...
09.01	Reimbursable program.....	...	...	...
10.00	Total new obligations (object class 41.0).....	2	3	...
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	4	3	...
22.00	New budget authority (gross).....	...	...	...
22.10	Resources available from recoveries of prior year obligations.....	1	...	...
23.90	Total budgetary resources available for obligation.....	5	3	...
23.95	Total new obligations.....	-2	-3	...
24.40	Unobligated balance carried forward, end of year	3	...	...
Spending authority (gross), detail:				
Discretionary:				
Spending authority from offsetting collections:				
58.00	Spending authority from offsetting collections: Offsetting collections (cash).....	...	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year	96	81	67
73.10	Total new obligations.....	2	3	...
73.20	Total outlays (gross).....	-16	-17	-17
73.45	Recoveries of prior year obligations.....	-1	...	...
74.40	Obligated balance, end of year.....	81	67	50
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	...	...	...
86.93	Outlays from discretionary authority.....	16	17	17
87.00	Total outlays (gross).....	16	17	17
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.40	Offsetting collections (cash) from: Non-Federal sources.....	...	...	...
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	16	17	17
Memorandum (non-add) entries:				
93.05	Obligated balance, start of year: Contract Authority.....	38	38	38
93.06	Obligated balance, end of year: Contract Authority.....	38	38	38

DISCRETIONARY GRANTS
(HIGHWAY TRUST FUND, MASS TRANSIT ACCOUNT)
PROGRAM AND PERFORMANCE

In 2011, no additional liquidating cash is requested to pay previously incurred obligations in the Discretionary Grants account.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
MISCELLANEOUS EXPIRED ACCOUNTS**

Program and Financing (in millions of dollars)

		2009	2010	2011
Identification code : 69-1122-0-1-401		Actual	Est.	Est.
Budgetary resources available for obligation:				
24.40	Unobligated balance carried forward, end of year .....	...	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year.....	1	1	1
74.40	Obligated balance, end of year.....	1	1	1
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	...	...	...

TEN YEAR
APPROPRIATIONS HISTORY

Administrative Expenses

Estimates		Appropriations + Oblimits	
1990	---	1990	31,809,000
1991	35,402,000	1991	32,583,000
1992	40,365,000 ¹	1992	37,000,000
1993	14,139,000 ²⁰	1993	38,520,000 ¹⁴
1993 (Supp.) rescission	0	1993 (Supp.) rescission	-305,000
1994	21,295,000 ²¹	1994	39,457,000 ¹⁶
1995	43,060,000	1995	42,315,700 ²
1996	44,202,000 ³	1996	40,722,000 ⁴
1997	43,652,000	1997	41,825,849 ⁵
1998	47,018,000 ¹	1998	45,614,000 ⁶
1999	48,142,000 ¹	1999	53,338,000 ^{7,9,11}
2000	60,000,000 ⁸	2000	59,562,000 ^{8,12}
2001	64,000,000 ¹⁰	2001	63,859,200 ¹³
2002	67,000,000 ¹⁵	2002	67,000,000 ¹⁵
2003	76,586,000 ¹⁷	2003	72,525,500 ^{17,19}
2004	76,500,000 ¹⁸	2004	75,054,550 ^{21,22}
2005	79,931,000	2005	76,423,000 ^{23,24,25}
2006	83,500,000	2006	79,200,000 ²⁶
2007	85,000,000	2007	85,000,000
2008	89,300,000	2008	89,300,000
2009	94,413,000	2009	94,413,000
2010	97,478,000	2010	98,911,000
2011	113,559,000		

- ¹ Budget proposes account to be funded from the Mass Transit Account of the Highway Trust Fund.
- ² Reflects reductions of \$123,000 for working capital fund (sec. 330), \$95,000 for bonuses and awards (sec. 331), and \$59,000 for procurement reform (sec. 323); and transfer of \$188,300 for consolidated civil rights office (P. L. 103-331); reflects reduction of \$279,000 pursuant to P. L. 104-19.
- ³ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.
- ⁴ Reflects reduction of \$1,278,000 for working capital funds, bonuses and awards, and field office consolidation.
- ⁵ Reflects reduction of \$451,135 for TASC (sec. 321) and \$4 for awards (sec. 346). Excludes \$779,988 in obligated balances transferred from Formula Grants.
- ⁶ Reflects reduction of \$124,000 for TASC (sec. 320).
- ⁷ Of which \$43,200,000 to be funded from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ⁸ Of which \$48,000,000 to be funded from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ⁹ Reflects reduction of \$912,000 for TASC (sec. 320).
- ¹⁰ Of which \$51,200,000 to be funded from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ¹¹ Includes \$250,000 in Y2K emergency funding.
- ¹² Reflects reduction of \$438,000 for TASC (sec. 319).
- ¹³ Reflects reduction of \$140,800 (.22%) pursuant to section 1403 of P. L. 106-554; includes obligation limitation.
- ¹⁴ Includes \$25,120,000 derived from the mass transit account of the Highway Trust Fund.
- ¹⁵ Of which \$53,600,000 to be funded from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ¹⁶ Includes \$18,162,000 derived from the mass transit account of the Highway Trust Fund.
- ¹⁷ Of which \$58,400,000 to be funded from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- Reflects increase of \$3,586,000 for accruing Employee Pension and Health Benefits.
- ¹⁸ Does not reflect \$4,325,223 for accruing Employee Pension and Health Benefits.
- ¹⁹ Reflects reduction of \$474,500 (.65%) pursuant to section 601 of P. L. 108-7; includes obligation limitation. Does not include accruing Employee Pension and Health Benefits.
- ²⁰ Does not include \$27,748,000 derived from the mass transit account of the Highway Trust Fund.
- ²¹ Reflects reduction of \$445,450 (.59%) pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.
- ²² Includes obligation limitation of \$60,043,640 derived from the mass transit account of the Highway Trust Fund.
- ²³ Reflects reduction of \$953,000 for working capital fund included in sec. 197 of P.L. 108-447, Consolidated Appropriations Act, 2005.
- ²⁴ Reflects reduction of \$624,000 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.
- ²⁵ Includes obligation limitation of \$67,704,000 derived from the mass transit account of the Highway Trust Fund.
- ²⁶ Reflects reduction of \$800,000 (1%) pursuant to Div B, Title III, Chapter 8, Sec 3801 of the Defense Appropriations Act, P.L. 109-148.

TEN YEAR
APPROPRIATIONS HISTORY

Formula Grants

Estimates		Appropriations	
1990	0 ¹	1990	1,625,110,000
1991	1,076,800,000	1991	1,605,000,000
1992	0 ¹	1992	1,520,000,000
1993	541,299,000	1993	650,975,000
1993 (Supp.)	466,490,000		
1994	1,324,916,000	1994	1,284,916,000
1994 Investment	[699,000,000]		
1995	1,715,050,000	1995	1,341,911,000 ²
1996	1,744,200,000 ³	1996	941,975,000 ⁴
1997	221,122,000	1997	490,000,000
1998	0 ¹	1998	240,000,000
1999	0	1999	519,200,000 ^{5,6}
2000	619,600,000	2000	569,600,000 ⁷
2001	669,000,000	2001	616,640,400 ^{8,9,10}
2002	718,400,000	2002	668,307,000 ^{11,13}
2002	0 ¹²	2002	23,500,000 ¹²
2003	767,800,000	2003	713,134,300 ^{11,15}
2004	0 ¹⁴	2004	763,269,980 ¹⁶
2005	0 ¹⁴	2005	450,389,824 ^{17,18}
2006	0	2006	0
2007 (Supp.)	0	2007 (Supp.)	35,000,000 ¹⁹

¹ Proposed to be funded out of the mass transit account of the Highway Trust Fund.

² Reflects reduction of \$89,000 for procurement reform (sec. 323), transfer of \$8,000,000 to transit research and planning.

³ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.

⁴ Reflects reduction of \$950,000 for working capital funds, bonuses and awards, and field office consolidation.

⁵ Reflects transfer of \$50,000,000 to Capital Investment Grants pursuant to P. L. 105-277.

⁶ Reflects transfer of \$800,000 to OIG pursuant to P. L. 105-277.

⁷ Reflects transfer of \$50,000,000 to Capital Investment Grants pursuant to P. L. 106-69.

⁸ Reflects transfer of \$50,000,000 to Capital Investment Grants pursuant to P. L. 106-346.

⁹ Reflects transfer of \$1,000,000 to OIG pursuant to P. L. 106-346.

¹⁰ Reflects reduction of \$1,359,600 (.22%) pursuant to section 1403 of P. L. 106-554.

¹¹ Reflects transfer of \$50,000,000 to Capital Investment Grants pursuant to P. L. 107-87.

¹² Emergency funds appropriated, Department of Defense Appropriations/Emergency Supplemental, P.L. 107-117.

¹³ Reflects rescission of \$93,000 pursuant to P.L. 107-206.

¹⁴ Proposed to be funded in Formula Grants and Research out of the mass transit account of the Highway Trust Fund.

¹⁵ Reflects reduction of \$4,990,700 (.65%) pursuant to section 601 of P. L. 108-7, reflect transfer of \$49,675,000 to Capital Investment Grants.

¹⁶ Reflects reduction of \$4,530,020 (.59%) pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.

¹⁷ Reflects reduction of \$4,032,176 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.

¹⁸ Reflects transfer of \$50,000,000 (\$49,600,000) net rescission to Capital Investment Grants pursuant to P.L. 108-447.

¹⁹ Reflects \$35,000,000 supplemental pursuant to U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, Chapter 8 of Title IV - Additional Hurricane Disaster Relief and Recovery. P.L. 110-28.

TEN YEAR
APPROPRIATIONS HISTORY

Formula Grants

(Limitation on Obligations)
(Highway Trust Fund, Mass Transit Account)

	Estimates		Limitation
1990	1,523,000,000	1990	69,790,000
1991	0	1991	235,000,000
1992	2,599,908,000	1992	463,734,000
1993	1,062,274,000	1993	1,049,025,000
1994	1,129,951,000	1994	1,129,951,000
1995	1,150,000,000	1995	1,150,000,000
1996	1,120,850,000	1996	1,109,853,000 ¹⁰
1997	1,930,850,000	1997	1,659,185,000
1998	3,409,500,000 ¹	1998	2,260,000,000
1999	0 ²	1999	2,280,000,000 ⁵
2000	2,960,670,000 ³	2000	2,478,400,000 ^{6,8}
2001	2,676,000,000 ⁴	2001	2,670,112,800 ^{7,12}
2002	2,873,600,000 ⁹	2002	2,873,600,000 ^{9,13,14}
2003	3,071,200,000 ¹¹	2003	3,051,237,200 ^{11,16,17,18}
2004	0 ¹⁵	2004	3,053,079,920 ¹⁹
2005	0 ¹⁵	2005	3,499,927,776 ²⁰

¹ Proposed to be derived from the mass transit account of the Highway Trust Fund.

² Proposed to be funded from the mass transit account of the Highway Trust Fund.

³ Excludes \$619,600,000 proposed appropriations.

⁴ Excludes \$669,000,000 proposed appropriations.

⁵ Excludes \$519,200,000 appropriations.

⁶ Excludes \$569,600,000 appropriations.

⁷ Excludes \$618,000,000 appropriations; reflects reduction of \$5,887,200 (.22%) pursuant to section 1403 of P. L. 106-554.

⁸ Excludes \$1,592,535,882 in FHWA transfers.

⁹ Excludes \$718,400,000 appropriations.

¹⁰ Reflects reduction of \$147,000 pursuant to section 31002 P. L. 104-134.

¹¹ Excludes \$767,800,000 proposed appropriations.

¹² Excludes \$1,230,831,761 in FHWA transfers.

¹³ Excludes \$1,117,456,037 in FHWA transfers.

¹⁴ Excludes \$2,356,510 in FTA transfers to FHWA.

¹⁵ Proposed to be funded in Formula Grants and Research out of the mass transit account of the Highway Trust Fund.

¹⁶ Reflects reduction of \$19,652,800 (.65%) pursuant to section 601 of P. L. 108-7

¹⁷ Excludes \$1,007,401,850 in FHWA transfers, including unobligated balance transfer of \$2,000,000 pursuant to sec. 377 P.L.108-7.

¹⁸ Excludes \$1,435,902 in FTA transfers to FHWA.

¹⁹ Reflects reduction of \$18,120,080 (.59%) pursuant to section 168(b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.

²⁰ Reflects reduction of \$28,225,224 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.

TEN YEAR
APPROPRIATIONS HISTORY

University Transportation Research

Estimates		Appropriations + Oblimits	
1990	---	1990	4,930,000 ¹¹
1991	---	1991	5,000,000 ¹¹
1992	6,000,000 ¹	1992	6,985,000 ¹¹
1993	2,025,000	1993	6,000,000 ⁸
1994	3,238,000	1994	6,000,000 ⁹
1995	6,000,000	1995	6,000,000
1996	6,000,000 ¹	1996	6,000,000
1997	6,000,000	1997	6,000,000
1998	6,000,000 ²	1998	6,000,000
1999	6,000,000 ³	1999	6,000,000 ⁴
2000	6,000,000 ⁴	2000	6,000,000 ⁴
2001	6,000,000 ⁴	2001	5,986,800 ^{5,6}
2002	6,000,000 ⁷	2002	6,000,000 ⁷
2003	6,000,000 ⁷	2003	5,961,000 ^{7,12}
2004	0 ¹⁰	2004	5,964,600 ^{13,14}
2005	0 ¹⁰	2005	5,952,000 ^{15,16}

- ¹ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.
- ² Proposed to be funded under Transit Planning and Research.
- ³ Proposed to be funded under Transit Planning and Research mass transit account of the Highway Trust Fund.
- ⁴ Includes \$4,800,000 Trust Fund; includes obligation limitation.
- ⁵ Includes \$4,789,440 Trust Fund.
- ⁶ Reflects reduction of \$13,200 (.22%) pursuant to section 1403 of P. L. 106-554; includes obligation limitation.
- ⁷ Includes \$4,800,000 Trust Fund; includes obligation limitation.
- ⁸ Includes \$3,975,000 Trust Fund; includes obligation limitation.
- ⁹ Includes \$2,762,000 Trust Fund; includes obligation limitation.
- ¹⁰ Proposed to be funded in Formula Grants and Research out of the mass transit account of the Highway Trust Fund.
- ¹¹ Funded from the mass transit account of the Highway Trust Fund.
- ¹² Reflects reduction of \$39,000 (.65%) pursuant to section 601 of P. L. 108-7; includes obligation limitation.
- ¹³ Reflects reduction of \$35,400 (.59%), pursuant to section 168(b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.
- ¹⁴ Includes obligation limitation of \$4,771,680 derived from the mass transit account of the Highway Trust Fund.
- ¹⁵ Reflects reduction of \$48,000 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.
- ¹⁶ Includes obligation limitation of \$5,208,000 derived from the mass transit account of the Highway Trust Fund.

TEN YEAR
APPROPRIATIONS HISTORY

Job Access and Reverse Commute Grants

Estimates		Appropriations + Oblimits	
1999	0	1999	75,000,000 ³
2000	150,000,000 ^{1,4}	2000	75,000,000 ⁴
2001	150,000,000 ^{2,5}	2001	99,780,000 ^{6,7}
2002	125,000,000 ⁸	2002	125,000,000 ⁸
2003	150,000,000 ⁹	2003	104,317,500 ^{9,11}
2004	0 ¹⁰	2004	124,262,500 ^{12,13}
2005	0 ¹⁰	2005	124,000,000 ^{14,15}

¹ Includes \$75,000,000 in revenue aligned budget authority.

² Includes \$50,000,000 in revenue aligned budget authority.

³ Includes \$40,000,000 Trust Fund and \$25,000,000 discretionary GF approp; includes obligation limitation.

⁴ Includes \$60,000,000 Trust Fund; includes obligation limitation.

⁵ Includes \$80,000,000 Trust Fund; includes obligation limitation.

⁶ Includes \$79,824,000 Trust Fund.

⁷ Reflects reduction of \$220,000 (.22%) pursuant to section 1403 of P. L. 106-554; includes obligation limitation.

⁸ Includes \$100,000,000 Trust Fund; includes obligation limitation.

⁹ Includes \$120,000,000 Trust Fund; includes obligation limitation.

¹⁰ Proposed to be funded in Formula Grants and Research out of the mass transit account of the Highway Trust Fund.

¹¹ Reflects reduction of \$975,000 (.65%) pursuant to section 601 of P. L. 108-7; includes obligation limitation. Reflects transfer of \$44,707,500 to Capital Investment Grants.

¹² Reflects reduction of \$737,500 (.59%) pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.

¹³ Includes obligation limitation of \$99,410,000 derived from the mass transit account of the Highway Trust Fund.

¹⁴ Reflects reduction of \$1,000,000 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.

¹⁵ Includes obligation limitation of \$108,500,000 derived from the mass transit account of the Highway Trust fund.

TEN YEAR
APPROPRIATIONS HISTORY

Washington Metro

	Estimates		Appropriations
1990	42,000,000	1990	84,745,000
1991	38,000,000	1991	64,100,000
1992	80,000,000	1992	124,000,000
1993	182,000,000	1993	170,000,000
1994	200,000,000	1994	200,000,000
1995	200,000,000	1995	200,000,000
1996	200,000,000 ¹	1996	200,000,000
1997	200,000,000	1997	200,000,000
1998	0 ²	1998	200,000,000
1999	0 ²	1999	50,000,000
2000	0	2000	0
2009		2009	150,000,000

¹ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.

² Proposed to be derived from the mass transit account of the Highway Trust Fund.

³

TEN YEAR
APPROPRIATIONS HISTORY

Interstate Transfer Grants - Transit

Estimates		Appropriations	
1990	---	1990	159,520,000
1991	---	1991	149,000,000
1992	---	1992	160,000,000
1993	82,000,000	1993	75,000,000
1994	45,000,000	1994	45,000,000
1995	38,530,000	1995	48,030,000
1999	0	1999 Rescission	-600,000
2005	0	2005	0 ¹

¹ Does not include transfer of unobligated balance pursuant to section 164 of P.L. 108-447, Consolidated Appropriations Act, 2005.

TEN YEAR
APPROPRIATIONS HISTORY

Capital Investment Grants

Estimates		Appropriations	
1999	451,400,000	1999	501,400,000 ¹
2000	490,200,000	2000	537,747,303 ^{2,3}
2001	529,200,000	2001	577,925,760 ^{4,5}
2002	568,200,000	2002	618,200,000 ⁶
2002	0 ^{7,8}	2002	1,900,000,000 ^{7,8}
2003	607,200,000	2003	682,733,200 ¹⁰
2004	9	2004	623,797,750 ¹¹
2005	9	2005	463,614,176 ^{12,13}
2006	9	2006	1,440,681,660 ^{14,15}
2007	1,466,000,000	2007	1,566,000,000
2008	1,399,818,000	2008	1,569,091,997
2009	1,620,828,893	2009	1,809,250,000 ¹⁶
2010	1,827,343,000	2010	2,000,000,000 ¹⁷
2011	1,822,112,000 ¹⁸		

¹ Reflects transfer of \$50,000,000 from Formula Grants pursuant to P. L. 105-277.

² Reflects transfer of \$50,000,000 from Formula Grants pursuant to P. L. 106-69.

³ Reflects transfer of \$2,452,697 from New Starts to TPR National Research pursuant to P. L. 106-069.

⁴ Reflects transfer of \$50,000,000 from Formula Grants pursuant to P. L. 106-346.

⁵ Reflects reduction of \$1,274,240 (.22%) pursuant to section 1403 of P. L. 106-554.

⁶ Reflects transfer of \$50,000,000 from Formula Grants pursuant to P. L. 107-87.

⁷ Emergency Supplemental funds, Department of Defense Appropriations/Emergency Supplemental, P.L. 107-117.

⁸ Supplemental Appropriations Act for Further Recovery From and Response To Terrorist Attacks, P.L. 107-206

⁹ Proposed to be funded in Major Capital Investment Grants.

¹⁰ Reflects reduction of \$3,946,800 (.65%) pursuant to section 601 of P. L. 108-7, includes \$29,805,000 transfers from

Job Access and Reverse Commute and \$49,675,000 from Formula Grants. Does not include transfer to Maritime Admin.

¹¹ Reflects reduction of \$3,702,250 (.59%) pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.

¹² Reflects reduction of \$3,338,824 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.

¹³ Does not reflect transfers of unobligated balances included in sections 169, 171, 175, and 531 of P.L. 108-447, the Consolidated Appropriations Act, 2005.

¹⁴ Reflects reduction of \$14,552,340 (1%) pursuant to Div B, Title III, Chapter 8, sec. 3801, P.L. 109-148, the Defense Appropriation Act, 2006

¹⁵ Does not reflect transfers of \$47,288,340 from Formula and Bus Grants P.L. 109-115, the "DOT Appropriations Act, 2006"

¹⁶ Does not reflect the transfer of \$2,000,000 to the DOT Office of Inspector General from section 5327(c) pursuant to P.L. 111-8, Omnibus Appropriations Act, 2009, Div. I, Title I.

¹⁷ Does not reflect \$2,000,000 transfer to the DOT Inspector General, pursuant to Omnibus Appropriations Act, 2009 (Pub Law 111-8) Division I, from funds available to execute contracts under 5327(c).

¹⁸ Does not reflect \$2,000,000 proposed transfer to the DOT Inspector General from funds available to execute contracts under 5327(c).

TEN YEAR
APPROPRIATIONS HISTORY
Capital Investment Grants

Estimates		Limitations	
1999	1,805,600,000 ⁸	1999	1,805,600,000
2000	1,960,800,000 ⁹	2000	1,943,419,186 ¹
		2000	5,977,000 ^{2,3}
		2000	5,000,000 ⁴
2001	2,116,800,000 ¹⁰	2001	2,112,143,040 ⁵
		2001	4,490,100 ^{6,7}
2002	2,272,800,000 ¹¹	2002	2,272,800,000 ¹¹
2003	2,428,800,000 ¹²	2003	2,427,915,300 ¹⁴
2004	¹³	2004	2,495,191,000 ¹⁵
2005	¹³	2005	2,898,100,224 ¹⁶

¹ Reflects reduction of \$17,381,014 pursuant to P. L. 106-113.

² Trust fund appropriation P. L. 106-113 not subject to limitation.

³ Reflects reduction of \$22,800 pursuant to P. L. 106-113.

⁴ Trust fund appropriation P. L. 106-246 not subject to limitation.

⁵ Reflects reduction of \$4,656,960 (.22%) pursuant to section 1403 of P. L. 106-554.

⁶ Trust fund appropriation P. L. 106-554 not subject to limitation.

⁷ Reflects reduction of \$9,900 (.22%) pursuant to section 1403 of P. L. 106-554.

⁸ Excludes \$451,400,000 proposed appropriations.

⁹ Excludes \$490,200,000 proposed appropriations.

¹⁰ Excludes \$529,200,000 proposed appropriations.

¹¹ Excludes \$568,200,000 proposed appropriations.

¹² Excludes \$607,200,000 proposed appropriations.

¹³ Proposed to be funded in Major Capital Investment Grants.

¹⁴ Reflects reduction of \$15,787,200 (.65%) pursuant to section 601 of P. L. 108-7, includes transfer of \$14,902,500 from Job Access and Reverse Commute

¹⁵ Reflects reduction of \$14,809,000 (.59%), pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.

¹⁶ Reflects reduction of \$23,371,776 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.

TEN YEAR
APPROPRIATIONS HISTORY

Discretionary Grants
(Limitation on Obligations)

	Estimates		Limitations
1990	0	1990	1,135,645,000
1991	1,400,000,000	1991	1,400,000,000 ⁷
1992		1992	1,356,167,000
1993	1,000,000,000	1993	1,725,000,000
1993 (Supp)	270,000,000		
1994	1,771,575,000	1994	1,781,691,000 ¹
1995	1,725,000,000	1995	1,724,904,000 ²
		1995 Rescission	-33,911,500 ³
1996	1,665,000,000 ⁴	1996	1,665,000,000
1997	1,799,000,000	1997	1,900,000,000
		1997 Rescission	-588,000,000
1998	⁵	1998	2,000,000,000
1999	1,805,600,000 ⁵	1999 Rescission	-392,000,000 ⁶
		2005	--- ⁸

¹ Reflects FY 1994 rescission of \$3,309,000.

² Reflects reduction of \$96,000 for procurement reform section 323 of P. L. 103-331.

³ The Rescission Bill P. L. 104-19 reduced Discretionary Grants from FY 1992 and prior year balances by taking \$33.9 million from Bus (\$1.28 million) and New Starts (\$32.6 million).

⁴ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.

⁵ Proposed to be funded under Major Capital Investments.

⁶ Rescission of remaining contract authority pursuant to Omnibus Consolidated Appropriations Act P. L. 105-277.

⁷ Includes \$200 million for Formula Grants under section 9(B).

⁸ Does not include transfers of unobligated balance pursuant to section 164 of P.L. 108-447, Consolidated Appropriations Act, 2005.

Discretionary Grants

Liquidation of Contract Authorization

	Estimates		Appropriations
1990	---	1990	897,300,000
1991	900,000,000	1991	900,000,000
1992	1,500,000,000	1992	1,500,000,000
1993	1,000,000,000	1993	1,500,000,000
1994	1,000,000,000	1994	1,000,000,000
1994 (Supp.) Rescission	-52,037,325	1994 (Supp.) Rescission	-3,308,935
1995	1,500,000,000	1995	1,500,000,000
1995 (Supp.)	0	1995 (Supp.)	350,000,000
1996	1,700,000,000 ¹	1996	2,000,000,000
1996 (Supp.)	0	1996 (Supp.)	375,000,000
1997	2,000,000,000	1997	2,300,000,000
1998	2,350,000,000 ²	1998	2,350,000,000
1999	1,900,000,000 ²	1999	2,000,000,000 ³
2000	1,500,000,000 ²	2000	1,500,000,000 ³
2001	350,000,000 ²	2001	350,000,000 ³
2002	0	2002	0

¹ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.

² Proposed to be derived from the mass transit account of the Highway Trust Fund.

³ Funded from the mass transit account of the Highway Trust Fund.

TEN YEAR
APPROPRIATIONS HISTORY

National Research and Technology
[Research and University Research Centers]
[Transit Planning and Research]

Estimates		Appropriations + Oblimits	
1992		1992	104,115,000
1993	28,537,000 ²²	1993	85,000,000 ¹⁴
1994	45,875,000	1994	92,250,000 ¹⁵
1995	92,250,000	1995	100,079,000 ¹
1995 (Supp.) Rescission	0	1995 (Supp.) Rescission	-7,000,000
1996	100,027,000 ²	1996	85,500,000
1997	85,500,000	1997	85,500,000
1998	91,800,000 ³	1998	91,500,000 ⁴
1999	91,900,000 ³	1999	98,000,000 ⁵
2000	107,000,000 ⁶	2000	109,209,311 ^{6,7,8,9}
2001	110,000,000 ¹⁰	2001	109,758,000 ^{11,12,17}
2002	116,000,000 ¹³	2002	116,000,000 ^{13,18}
2003	122,000,000 ¹⁶	2003	121,207,000 ^{20,21}
2004	¹⁹	2004	125,256,600 ^{23,24}
2005	¹⁹	2005	126,976,000 ²⁵
2006	¹⁹	2006	74,448,000 ^{26,27}
2007	61,000,000	2007	61,000,000
2008	61,000,000	2008	65,362,900
2009	59,600,000	2009	67,000,000
2010	67,670,000	2010	65,670,000
2011	29,739,000		

- ¹ Reflects reduction of \$171,000 for procurement reform section 323 of P. L. 103-331
- ² Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.
- ³ Proposed to be derived from the mass transit account of the Highway Trust Fund.
- ⁴ Reflects reduction of \$500,000 pursuant to President's line-item veto.
- ⁵ Includes \$78,200,000 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ⁶ Includes \$86,000,000 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ⁷ Reflects reduction of \$243,386 pursuant to P. L. 106-113.
- ⁸ Reflects transfer of \$2,452,697 from New Starts to TPR National Research pursuant to P. L. 106-069.
- ⁹ Excludes \$54,280,827 in FHWA transfers.
- ¹⁰ Includes \$87,800,000 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ¹¹ Includes \$87,606,840 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ¹² Reflects reduction of \$242,000 (.22%) pursuant to section 1403 of P. L. 106-554.
- ¹³ Includes \$93,000,000 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ¹⁴ Includes \$56,000,000 from the Highway Trust Fund.
- ¹⁵ Includes \$44,125,000 from the Highway Trust Fund.
- ¹⁶ Includes \$97,800,000 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ¹⁷ Excludes \$60,049,742 in FHWA transfers.
- ¹⁸ Excludes \$59,601,236 in FHWA transfers.
- ¹⁹ Proposed to be funded in Formula Grants and Research out of the mass transit account of the Highway Trust Fund.
- ²⁰ Includes \$87,606,840 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ²¹ Reflects reduction of \$793,000 (.65%) pursuant to section 601 of P. L. 108-7; includes obligation limitation.
- ²² Does not include \$56,003,000 from the Highway Trust Fund
- ²³ Reflects reduction of \$743,400 (.59%), pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.
- ²⁴ Includes \$111,104,000 in obligation limitation derived from the mass transit account of the Highway Trust Fund.
- ²⁵ Reflects reduction of \$1,024,000 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.
- ²⁶ Reflects account name pursuant to SAFETEA-LU P.L. 109-59 and the DOT Appropriations Act, 2006 P.L.109-115.
- ²⁷ Reflects reduction of \$752,000 (1%) pursuant to Div B, Title III, Chapter 8, sec. 3801, P.L. 109-148, the Defense Appropriation Act, 2006.

TEN YEAR
APPROPRIATIONS HISTORY

Research, Training and Human Resources

	Estimates		Appropriations
1990		1990	9,970,000
1991	10,000,000	1991	8,000,000
1992		1992	11,000,000 ¹

¹ Reflects rescission of \$5 million. Amounts reconciled with the Intermodal Surface Transportation Efficiency Act (ISTEA).

TEN YEAR
APPROPRIATIONS HISTORY

Formula and Bus Grants
General Fund Share

	Estimates		Limitations
2010	3,343,000,000		2010

TEN YEAR
APPROPRIATIONS HISTORY

Transit Formula Grants
[Formula and Bus Grants]
(Limitation on Obligations)
(Highway Trust Fund, Mass Transit Account)

Estimates		Limitations	
2004	5,615,406,000	2004	0 ²
2005	5,622,871,000	2005	0 ²
2006	6,135,000,000	2006	6,910,131,690 ³
2007	7,262,775,000	2007	7,262,775,000
2008	7,871,895,000	2008	7,767,887,062 ^{5/6}
2009	8,360,565,000	2009	8,260,565,000 ^{7/}
2010	5,000,000,000	2010	8,343,171,000
2011	8,271,700,000		

Formula and Bus Grants

Liquidation of Contract Authorization

Estimates		Appropriations	
2004	690,000,000 ¹	2004	0 ²
2005	710,000,000 ¹	2005	0 ²
2006	3,384,000,000 ¹	2006	1,500,000,000 ⁴
2007	3,925,000,000	2007	4,660,000,000
2008	6,885,000,000	2008	6,855,000,000
2009	8,670,000,000	2009	8,670,000,000
2010	8,852,000,000	2010	9,400,000,000
2011	9,200,000,000		

¹ Proposed to be derived from the mass transit account of the Highway Trust Fund.

² Surface transportation reauthorizing legislation has not been enacted.

³ Reflects reduction of \$69,799,310 (1%) pursuant to Div B, Title III, Chapter 8, Sec 3801 of the Defense Appropriations Act, P.L. 109-148.

⁴ Funded from the mass transit account of the Highway Trust Fund.

⁵ Does not reflect rescission of \$28,660,920 in unobligated contract authority pursuant to P.L. 110-161 Div K, Title I.

⁶ Reflects reduction of obligation limitation and rescission of \$105,005,938 pursuant to P.L. 110-161 Div K, Title I, Section 172 and 173.

⁷ Reflects reduction of obligation limitation and rescission of \$100,000,000 pursuant to P.L. 111-8 Div I, Title I, Section 167.

TEN YEAR
 APPROPRIATIONS HISTORY
 Major Capital Investment Grants

	Estimates		Appropriations
2004	1,213,500,000	2004	0 ²
2005	1,234,192,000	2005	0 ²
2006	872,500,000	2006	0 ³

Major Capital Investment Grants
 (Limitation on Obligations)
 (Highway Trust Fund, Mass Transit Account)

	Estimates		Limitations
2004	320,594,000 ¹	2004	0 ²
2005	329,006,000 ¹	2005	0 ²
2006	690,000,000 ¹	2006	0 ³

¹ Proposed to be derived from the mass transit account of the Highway Trust Fund.

² Surface transportation reauthorizing legislation has not been enacted.

³ Funded under Capital Investment Grants pursuant to SAFETEA-LU P.L.109-59 and DOT Appropriations Act, 2006 P.L. 109-115.

TEN YEAR
APPROPRIATIONS HISTORY

Transit Capital Assistance

	Estimates		Appropriations
2009	-	2009	6,900,000,000 ¹

¹ American Recovery and Reinvestment Act, 2009

TEN YEAR
APPROPRIATIONS HISTORY

Fixed Guideway Infrastructure Investment

	Estimates		Appropriations
2009		-	2009 750,000,000 ¹

¹ American Recovery and Reinvestment Act, 2009

TEN YEAR
APPROPRIATIONS HISTORY

Capital Investments

	Estimates		Appropriations
2009	-	2009	750,000,000 ¹

¹ American Recovery and Reinvestment Act, 2009

TEN YEAR
APPROPRIATIONS HISTORY

Grants for Energy Efficiency and Greenhouse Gas Reductions

	Estimates		Appropriations
2010	-	2010	75,000,000

TEN YEAR
APPROPRIATIONS HISTORY

Livable Communities
(Limitation on Obligations)
(Highway Trust Fund, Mass Transit Account)

	Estimates		Limitation
2011	306,905,000	2011	

Livable Communities
Liquidation of Contract Authorization

	Estimates		Limitations
2011	52,000,000 ¹	2011	

¹ Proposed to be derived from the Mass Transit Account of the Highway Trust Fund.

TEN YEAR
APPROPRIATIONS HISTORY

Greenhouse Gas and Energy Reduction
(Limitation on Obligations)
(Highway Trust Fund, Mass Transit Account)

	Estimates		Limitation
2011	52,743,000	2011	

Greenhouse Gas and Energy Reduction
Liquidation of Contract Authorization

	Estimates		Limitations
2011	12,000,000 ¹	2011	

¹ Proposed to be derived from the Mass Transit Account of the Highway Trust Fund.

TEN YEAR
APPROPRIATIONS HISTORY

Technical Assistance and Workforce Development

	Estimates		Appropriations
2011	28,647,000	2011	

TEN YEAR
APPROPRIATIONS HISTORY

Rail Transit Safety Oversight Program

	Estimates		Appropriations
2011	24,139,000		2011

EXHIBIT IV-1
FY 2011 BUDGET REQUEST BY STRATEGIC GOAL AND PERFORMANCE GOAL
FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, & Exempt Obligations
(\$000)

STRATEGIC & PERFORMANCE GOALS by Performance Measure	FY 2009 ENACTED	FY 2010 ENACTED	TOTAL FY 2011 REQUEST
1. SAFETY STRATEGIC GOAL			
A. Transit Safety			
a. Transit fatalities per 100 million passenger- miles traveled.	5,109	81,545	97,374
b. Transit injuries per 100 million passenger-miles traveled.	5,109	81,545	97,374
Subtotal Performance Goal	10,218	163,089	194,747
Total – Safety Strategic Goal	10,218	163,089	194,747
2. REDUCED CONGESTION STRATEGIC GOAL			
A. Urban Congestion			
a. Average percent change in transit boardings per transit market.	9,178,798	9,451,007	9,599,881
Subtotal Performance Goal	9,178,798	9,451,007	9,599,881
B. Increased Accessibility			
a. Percent of bus fleets compliant with the ADA.	116,019	117,899	89,478
b. Percent of key rail stations compliant with the ADA.	500	550	600
c. Number of employment sites that are made accessible by Job Access and Reverse Commute transportation services.	164,500	164,158	166,620
d. Other	245,961	243,578	238,686
Subtotal Performance Goal	526,980	526,185	495,384
Total – Reduced Congestion Strategic Goal	9,705,779	9,977,192	10,095,265
3. GLOBAL CONNECTIVITY STRATEGIC GOAL			
A. Reduce Barriers to Trade			
Subtotal Performance Goal	795	816	836
Total – Global Connectivity Strategic Goal	795	816	836
4. ENVIRONMENTAL STEWARDSHIP STRATEGIC GOAL			
A. Reduction in Pollution			
Subtotal Performance Goal	432,998	514,025	428,257
Total – Environ. Stewardship Strategic Goal	432,998	514,025	428,257

5. SECURITY, PREPAREDNESS AND RESPONSE			
A.			
a. Other (emergency preparedness, enhanced public awareness)	49,307	45,589	46,147
Subtotal Performance Goal	49,307	45,589	46,147
Total – Security, Preparedness and Response Strategic Goal	49,307	45,589	46,147
6. ORGANIZATIONAL EXCELLENCE STRATEGIC GOAL			
A. Fulfill the Government-wide Management Initiatives			
a. Other (Fulfill the Government-wide Management Initiatives)	32,129	32,041	34,282
Subtotal Performance Goal	32,129	32,041	34,282
Total – Org. Excellence Strategic Goal	32,129	32,041	34,282
GRAND TOTAL	10,231,228 ^{1/2/}	10,732,752	10,799,534

1/ Does not include FHWA net "flex funding" transfers.

2/ Does not include funding from the American Recovery and Reinvestment Act of 2009.

EXHIBIT IV-2

**PERFORMANCE MEASURES
FEDERAL TRANSIT ADMINISTRATION**

Annual Performance Results and Targets

The Federal Transit Administration (FTA) integrates performance results into its budget request to demonstrate alignment with the Department of transportation's (DOT) Strategic Plan. The FTA tracks the following DOT level performance measures to demonstrate program results:

Transit Formula Grants Account

Strategic Goal: Safety

Transit fatalities per 100 million passenger-miles traveled	2005	2006	2007	2008	2009	2010	2011
Target	0.482	0.477	0.473	0.468	0.463	0.458	0.453
Actual	0.428	.389(r)	.437(r)	.332(r)	0.243		

* Preliminary estimate.

Transit injuries per 100 million passenger-miles traveled	2005	2006	2007	2008	2009	2010	2011
Target	35.6	35.2	34.9	34.5	34.2	33.8	33.4
Actual	31.8	36.6(r)	32.5(r)	33.6(r)	30.1*		

* Preliminary estimate.

Strategic Goal: Reduced Congestion

Average percent change in transit boardings per transit markets (150 largest transit agencies) 1/	2005	2006	2007	2008	2009	2010	2011
Target	1.0	1.0	1.5	1.5	1.9	2.0	2.0
Actual	1.9	2.1	2.5(r)	4.3	2.2		

Percentage of bus fleets that are compliant with the Americans with Disabilities Act (ADA)	2005	2006	2007	2008	2009	2010	2011
Target	97	97	97	98	98	98	98
Actual	96	97	98	98	98		

* Preliminary estimate.

Percentage of key rail stations that are compliant with the Americans with Disabilities Act	2005	2006	2007	2008	2009	2010	2011
Target	84	91	93	94	94	94.5	94.5
Actual	91	92	93 (r)	95	95		

* Preliminary estimate.

Number of jobs (000) made accessible by Job Access and Reverse Commute (JARC) transportation services.							
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	
Target	N/A	N/A	N/A	N/A	43.7	43.7	
Actual: (Baseline)	43.4	35.9	51.8				

Capital Investment Grants Account

Strategic Goal: Reduced Congestion

Average percent change in transit boardings per transit market (150 largest transit agencies)	2005	2006	2007	2008	2009	2010	2011
Target	1.0	1.0	1.5	1.5	1.9	2.0	2.0
Actual	1.9	2.1	2.5 (r)	4.6	3.6*		

* Preliminary estimate.

Administrative Expenses Account

Strategic Goal: Global Connectivity

Percentage of direct contracts awarded to small businesses	2006	2007	2008	2009	2010	2011
Target	64	35	35	35	35	35
Actual	27	53	63	48.9		

Percentage of direct contracts awarded to small disadvantaged business enterprises	2006	2007	2008	2009	2010	2011
Target	17	14	14	14	14	14
Actual	13	19	21	36.4		

Percentage of direct contracts awarded to women-owned businesses	2006	2007	2008	2009	2010	2011
Target	27	5	5	5	14.1	14.1
Actual	7	20	9	17.8		

Strategic Goal: Organizational Excellence

Average number of days to complete grant processing after submission of a completed application	2005	2006	2007	2008	2009	2010	2011
Target	36	36	36	36	36	36	36
Actual	28	28	28 (r)	29	31		

Percentage of major FTA federally funded transportation infrastructure projects with less than 2 percent annual growth for project completion milestones	2005	2006	2007	2008	2009	2010	2011
Target	N/A	90	90	90	90	90	90
Actual	N/A	N/A	N/A	60	71.4		

Percentage of finance plan cost estimates for major FTA federally funded transportation infrastructure projects with less than 2 percent annual growth in project completion cost	2005	2006	2007	2008	2009	2010	2011
Target	90	90	90	90	90	90	90
Actual	N/A	N/A	N/A	100	71.4		

National Research and Technical Assistance and Workforce Development Accounts

Strategic Goal: Safety

Transit fatalities per 100	2005	2006	2007	2008	2009	2010	2011
Target	0.482	0.477	0.473	0.468	0.463	0.458	0.453
Actual	0.428	0.389	0.437	0.332	0.243		

* Preliminary estimate.

Transit injuries per 100 million passenger-miles traveled	2005	2006	2007	2008	2009	2010	2011
Target	35.6	35.2	34.9	34.5	34.2	33.8	33.4
Actual	31.8	36.6 (r)	32.5 (r)	33.6 (r)	30.1*		

* Preliminary estimate.

Strategic Goal: Reduced Congestion

Average percent change in transit boardings per transit markets (150 largest transit agencies)	2005	2006	2007	2008	2009	2010	2011
Target	1.0	1.0	1.5	1.5	1.9	2.0	2.0
Actual	1.9	2.1	2.5 (r)	4.6	3.6		

* Preliminary estimate.

Average condition of rail vehicle fleet (on a scale of 1 (poor) to 5 (excellent)).							
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Target:	3.55	3.55	3.55	3.55	3.55	3.55	3.55
Actual:	3.47	3.51	3.48				

Average condition of motor bus fleet (on a scale of 1 (poor) to 5 (excellent)).							
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Target:	3.24	3.24	3.24	3.24	3.24	3.24	3.24
Actual:	2.95	3.01	2.99				

Strategic Objective: Organizational Excellence

Average number of days to complete grants processing after submission of a completed application	2005	2006	2007	2008	2009	2010	2011
Target	36	36	36	36	36	36	36
Actual	28	28	28 (r)	29	32*		

* Preliminary estimate.

EXHIBIT IV-3

FEDERAL TRANSIT ADMINISTRATION

Performance Overview

The implementation of Federal Transit Administration programs has resulted in outcomes that greatly enhance the economic competitiveness and livability of communities across America. In Fiscal Year (FY) 2011, FTA will ensure the delivery of \$1.8 billion in discretionary capital investment grants and \$8.3 billion in formula grants. The level of funding reflects a commitment to bring more of the benefits of transit to cities and towns sooner by streamlining and improving program processes. To help achieve this, FTA is evaluating its program effectiveness and establishing performance targets to gauge progress towards strategic goals.

The distribution of FTA funds to over 200 urban areas and 52 States and territories serving hundreds of grantees in communities across the country will result in outputs that include; major new transit systems, extensions to existing transit systems, replacement of bus and rail fleet vehicles, expansion of current fleets, and capital projects intended to modernize or improve existing bus and fixed-guideway systems. In turn, these outputs will lead to positive outcomes in FY 2011 by advancing projects through projected pipelines and accelerating funding that will more closely match construction schedules of new transit projects saving start-up and financing costs. In addition, transit investment in metropolitan and rural areas enhances the development of communities and the livability of people within those communities by providing transportation alternatives that increase access to jobs, health and social services, entertainment, educational opportunities, and other activities of daily life. Moreover, infrastructure investment and recapitalization has the potential to positively impact safety and condition of capital assets.

Over the long-term, FY 2011 funding will help lead to outcomes such as substantively expanded transit service, the long-term sustainability of transit infrastructure, significant reduction of greenhouse gas emissions, more livable communities, and a lessening of our reliance on foreign oil. FY 2011 funding strongly supports all Departmental strategic goals, and is an integral part of making transit assets longer lasting, higher-performing, and beneficial to the Department's efforts to increase economic competitiveness and livability in America.

Note: The Strategic Goals in this exhibit reflect those identified in DOT's 2006 – 2011 Strategic Plan. DOT's new strategic plan will be released in FY 2010.

EXHIBIT IV-4 PERFORMANCE PLANNING LOGIC MODEL

FEDERAL TRANSIT ADMINISTRATION Performance Linkage Between FTA Programs and DOT Strategic Goals

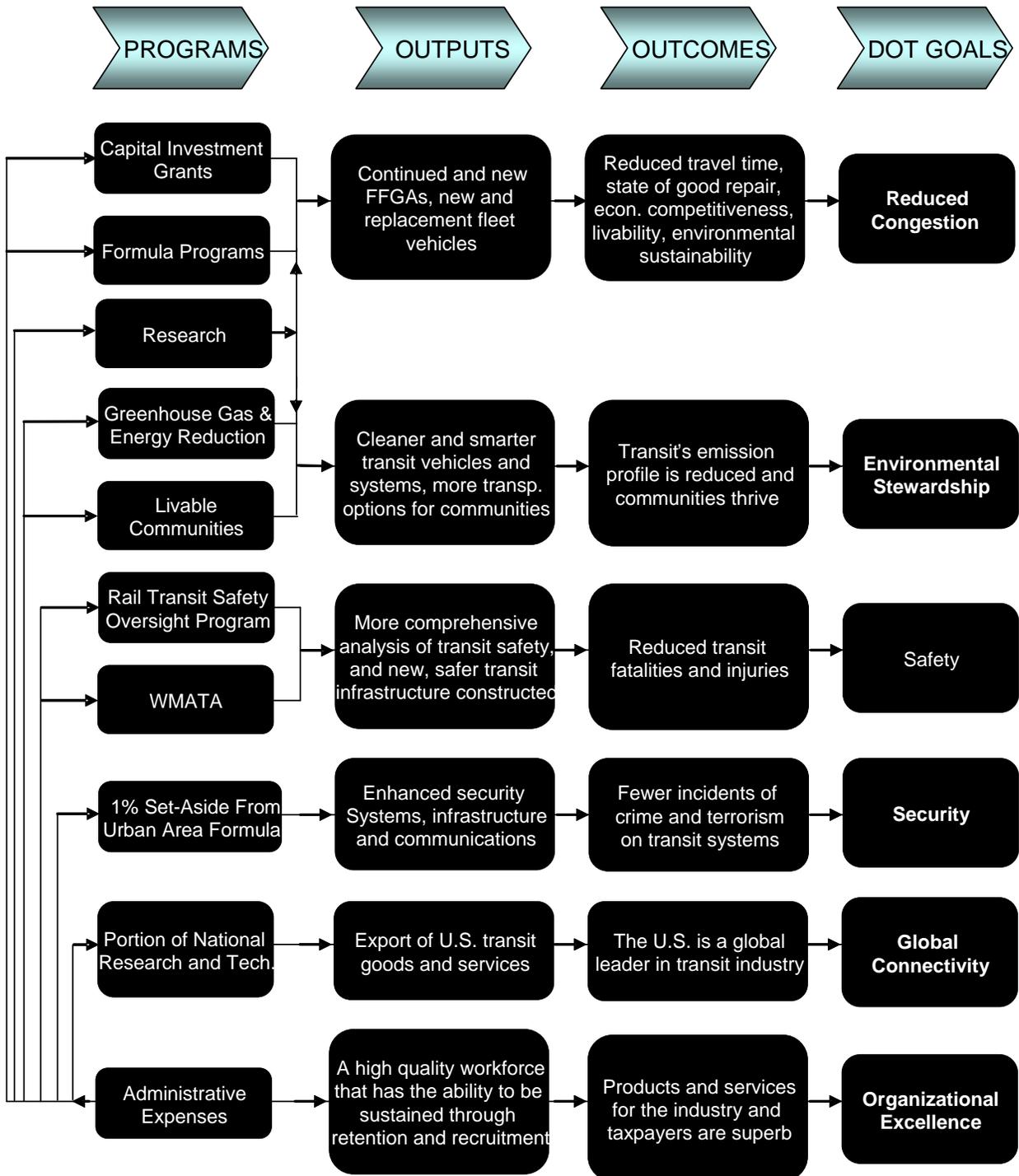
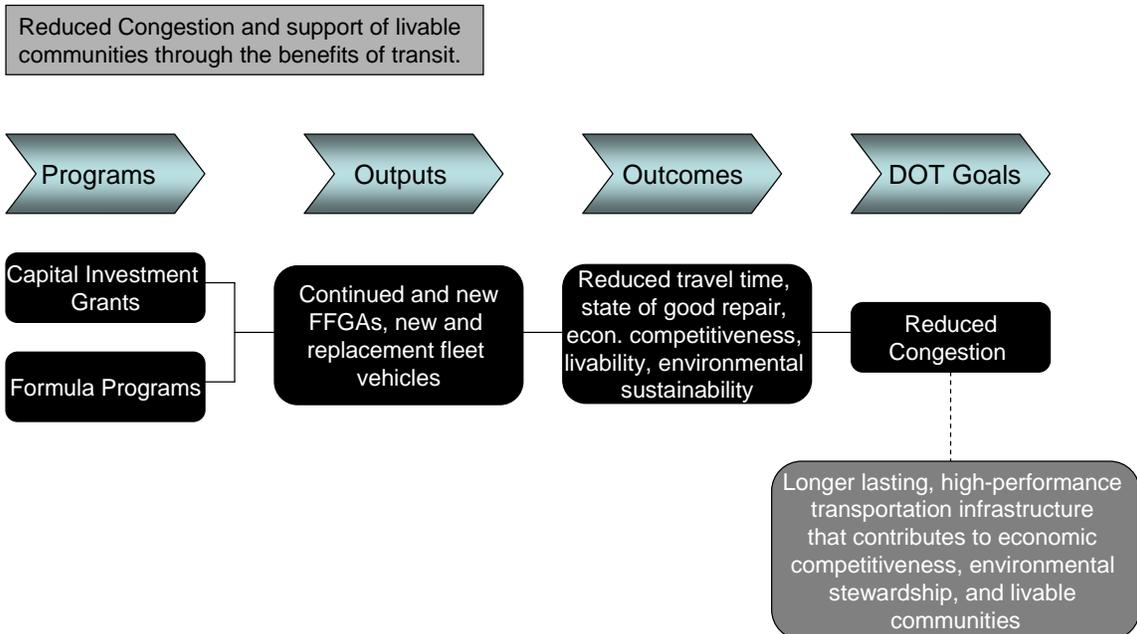


EXHIBIT IV-4 PERFORMANCE PLANNING LOGIC MODEL

DOT Strategic Goal Supported: **Reduced Congestion**

FY 2011 funding for the Capital Investment Grants program and Formula programs supports the DOT strategic goal of Reduced Congestion. The two programs are an integral part of the Department's efforts to address congestion and promote economic competitiveness and livable communities in the process. As a result of the unprecedented levels of investment in recent years, transit has experienced a 29 percent increase in passenger miles traveled since 1995. This increase in ridership is providing many Americans with an alternative to automotive travel on congested roads. The FY 2011 funding request helps ensure that this growth in transit ridership can be sustained, and that the benefits of transit are delivered sooner and effectively. Capital Investment Grant projects under existing grant agreements and funded by the FY 2011 request are expected to generate more than 700,000 daily boardings and 135 million hours of travel time savings by 2030. The funding request for Capital Investment Grants will amplify these benefits. New and replacement transit vehicles purchased through FTA's formula programs will improve the condition of the overall transit fleet as well as increase the overall capacity of the system.

FEDERAL TRANSIT ADMINISTRATION Reduced Congestion



**EXHIBIT IV-4
PERFORMANCE PLANNING LOGIC MODEL
FEDERAL TRANSIT ADMINISTRATION**

REDUCED CONGESTION

Program Name: Capital Investment Grants			FY 2011 Inputs: \$1.8 billion	
Purpose and Customers/Beneficiaries	2011 Activities	2011 Outputs	2011 Outcomes	Contribution to DOT Goal
Support of new major transit capital investments including extensions of existing systems.	Provide funding for existing FFGAs, review applicants in the New Starts pipeline, and identify streamlining and process improvement opportunities.	<ul style="list-style-type: none"> • \$1 billion in funding to the 8 projects with existing FFGAs. • With the increased funding request, potentially 1 to 8 additional New Starts, and 3-10 additional projects could receive funding. <p>These projects are expected to receive a total of \$7.6 billion in Federal assistance towards \$20.6 billion in total project costs over their lifetime, and begin revenue operations at various times between 2011 and 2017.</p>	<p>Projects under existing FFGAs stay on schedule and within budget. With the increased funding request, existing projects also benefit, providing more new transit service sooner.</p> <p>Projects under existing grant agreements are expected to generate more than 700,000 daily boardings and 135 million hours of travel time savings by 2030. The increased funding request will amplify these benefits.</p>	<p><u>Supported Goal</u> Reduced Congestion</p> <p><u>Goal Outcome</u> Longer lasting, high performance transportation infrastructure that contributes to economic competitiveness and livable communities</p>

Capital Investment Grants

Program Purpose and Customers/Beneficiaries

Capital Investment Grants primarily go towards New Starts and Small Starts, which provide Federal financial support to locally planned, implemented, and operated major transit capital investments. The customers of the program are the local transit systems planning a major transit capital investment, such as new or expanded rail transit service or Bus Rapid Transit services. The beneficiaries are the people in these communities that will ride the investment, and benefit from the environmental, land use, and other benefits of the project.

2011 Activity

1) Provide funding support to those that have existing Full Funding Grant Agreements (FFGAs), and which are expected to not yet have been fully funded by 2011. There are currently eight such projects expected to still be active in 2011, other FFGAs may

be signed by FTA and become active by 2011. Recommend additional FFGA/PCGA commitments based on increased funding request.

2) Continue to review at least 14 applications for FFGAs, including assisting communities with alternatives analysis to select a "locally preferred alternative" for a project, preliminary engineering for the "locally preferred alternative," National Environmental Policy Act (NEPA) compliance, and completing the final design for a project.

3) Continue to review our internal processes for reviewing and developing FFGAs to further identify opportunities to speed up project delivery and advance the Capital Investment Grant pipeline, bringing transit benefits to Americans sooner.

2011 Outputs

Provide approximately \$1 billion in funding to the 8 projects with existing FFGAs, and which are expected to yet have been fully funded by 2011. With the increased funding request, potentially 1 to 8 additional New Starts, and 3-10 additional projects could receive funding.

These projects are expected to receive a total of \$7.6 billion in Federal assistance towards \$20.6 billion in total project costs over their lifetime, greatly leveraging investments in new transit infrastructure. These projects are expected to begin revenue operations at various times between 2011 and 2017.

2011 Outcomes

Projects under existing FFGAs stay on schedule and within budget. With the increased funding request, existing projects could also receive accelerated funding that would more closely match the construction needs, potentially allowing for faster completion of the projects or cost savings. The increased funding also raises the potential for additional new projects to receive funding commitments, providing more new transit service through new construction and openings for revenue operation sooner than would otherwise be possible.

Projects under existing grant agreements are expected to generate more than 700,000 daily boardings and 135 million hours of travel time savings by 2030. The increased funding request will amplify these benefits.

Contribution to DOT Goal

FY 2011 funding for the Capital Investment Grants program supports the achievement of the Departmental strategic goal of Reduced Congestion. The outcome realized through support of this goal is a longer lasting, high performance transportation infrastructure that contributes to economic competitiveness and livable communities.

**EXHIBIT IV-4
PERFORMANCE PLANNING LOGIC MODEL
FEDERAL TRANSIT ADMINISTRATION**

REDUCED CONGESTION

Program Name: Transit Formula Programs

FY 2011 Inputs: \$8.3 billion

Purpose and Customers/Beneficiaries	2011 Activities	2011 Outputs	2011 Outcomes	Contribution to DOT Goal
Capital investments for urban areas and capital and operating investments for rural communities. These grants help bring transit assets towards a state of good repair, and support transit services that provide basic mobility.	Purchase of new transit vehicles, replacement of existing transit vehicles, and repair and maintenance of rail systems, buses, bus facilities, and operating assistance.	Approximately 12,731 new vehicles of which 75% will go to replacement of existing assets and 25% towards the expansion of transit fleets.	Potential increase of the bus and van fleet from 3.01 to 3.27. Potential increase of national ridership by approximately 2%.	<u>Supported Goal</u> Reduced Congestion <u>Goal Outcome</u> Longer lasting, high performance transportation infrastructure that contributes to economic competitiveness and livable communities

Formula Programs

Program Purpose and Customers/Beneficiaries

This formula program has a broad array of purposes. Formula grants are provided to urbanized areas over 200,000 in population primarily for capital investments in public transportation. Grants are provided to States for urbanized areas under 200,000 in population with the State and to States for rural areas within the state for both capital investments in public transportation and also for operating assistance to public transportation. These grants help bring transit assets towards a state of good repair, and support transit services that provide basic mobility, help reduce urban congestion, reduce emissions of greenhouse gasses and other air pollutants.

2011 Activity

Since the bulk of these grant programs are dispensed by formula, it is impossible to predict how local decision makers will choose to spend their formula allocations in 2011. In past years, approximately 15% of formula spending has been used towards purchasing new buses and vans. This would represent approximately \$1.7 million towards new vehicles. The remaining spending would go towards other eligible purposes, including maintenance and repair of rail systems, purchase of rail cars, maintenance and repair of buses and bus facilities, and operating assistance.

2011 Outputs

At approximately \$140,000 per vehicle (buses and vans combined average), that would be approximately 12,731 new vehicles. Of these, based on past years, approximately 75% would go to replacement of existing assets and approximately 25% would go towards the expansion of bus and van fleets.

2011 Outcomes

The current bus and van fleet of 94,998 vehicles has an average condition of 3.01. Replacing approximately 9,548 of these vehicles and adding another 3,183 vehicles to the fleet should increase the average condition of the fleet to 3.27. An increase of the bus, paratransit, and vanpool fleet by 3,183 vehicles should result in approximately 104 million additional revenue miles of transit service (32,000 per vehicle.) With an average load factor of 8.1 passengers that would be an additional 844 million passenger miles of service and an additional 207 million Unlinked Passenger Trips, which would raise national ridership by approximately 2 percent.

Contribution to DOT Goal

FY 2011 funding for the Formula programs supports the achievement of the Departmental strategic goal of Reduced Congestion. The outcome realized through support of this goal is a longer lasting, high performance transportation infrastructure that contributes to economic competitiveness and livable communities.

EXHIBIT IV-5

**KEY PROGRAM REVIEWS, ASSESSMENTS OR EVALUATIONS
FEDERAL TRANSIT ADMINISTRATION**

A. Recent Reviews, Assessments and Evaluations

Name/Title Type	Evaluation	Result
<p>1. Job Access and Reverse Commute (JARC) Formula Grant</p>		<p><u>Program Results:</u> The JARC program is meeting its mission of providing low-income persons with transportation to entry-level job opportunities. Two-thirds of the JARC users surveyed indicated they would not be able to access their destination without the service they were currently using. (2) The cost-per-ride of JARC services is comparable to other public transit services and the annual program cost of the JARC program compares favorably to other Federal grant programs designed to improve employment opportunities for low-income persons. (3) Every \$1 spent on JARC services produces a return of between \$1.61 and \$1.99 in net economic gains that accrue to the user. Every \$1 spent on JARC services produces a return of \$1.10 to the taxpaying and traveling public, as measured by (a) the value of taxes paid by JARC users; (b) welfare payments that no longer need to be made to the users; and (c) the value of congestion reduced and traffic accidents avoided that can be attributed to the JARC program.</p> <p><u>Partnership Requirements:</u> (1) In many cases JARC energized existing planning activities and made services possible. (2) JARC partnerships have jump-started a variety of other partnerships and coordination activity. (3) Planning requirement has led to improved analysis of the regions' job access needs.</p> <p><u>Implementation and Sustainability:</u> (1) Delays in funding and inability to find local match challenged the ability to provide service. (2) Transportation coordinators have been effective in linking former welfare clients to services. (3) Much greater outreach is needed with private companies. (4) Planning partnerships were instrumental in achieving the job access goals for their area. Planning</p>

		<p>process resulted in financial partnerships where local agencies were able to coordinate funding and provide transportation services, leading to increased efficiency.</p>
<p>2. Costs, Benefits, and Efficiencies of Public-Private Partnerships for Fixed Guideway Capital Projects</p>	<p>Evaluation</p>	<p>The results of the evaluation were that many transit agencies are considering PPPs to leverage public resources, lower costs, improve services, and transfer risks associated with fixed guideway development, financing, operations, and maintenance. They are also considering PPPs for capital replacement, expansion and program management. Transit PPPs are likely to attract growing private sector interest including transit-oriented development, joint development, and multimodal development. These additional PPP approaches can help transit agencies increase revenues, reduce project costs, or both by tapping into the resources of economic development on a proactive basis. Multimodal PPPs enable transit agencies to combine their resources with resources from other modes that have joint needs for related infrastructure improvements, such as highways, railroads, or airports. While the involvement of the private sector in a transit capital project can help improve the cost-effectiveness and timeliness of project delivery and provide other benefits in terms of risk transfer and access to financial markets, it is not a guarantee of successful delivery.</p>
<p>3. Federal Transit Administration – State Administered Public trans Grant Programs</p>	<p>Assessment</p>	<p>A rating of effective was received from the Office of Management and Budget on this program assessment. Results of the assessment of the State Administered Programs verified that: (1) the Job Access and Reverse Commute formula grant program is effective in transporting welfare recipients and low-income individuals, including economically disadvantaged persons with disabilities in urban, suburban, or rural areas to and from jobs and activities related to their employment; (2) the Elderly and Persons with Disabilities program is effective in meeting the</p>

		<p>special needs of individuals with disabilities by increasing ridership and improving the accessibility to public transportation for physically challenged individuals; and (3) the Non-urbanized Area Formula program is effective in meeting the transportation needs in rural communities and in increasing ridership and providing necessary services to almost 64 percent of counties with non-urbanized area population nationwide.</p>
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The FTA program evaluations listed above will be used to help strengthen and continuously improve program effectiveness, and to look for ways to get more of the benefits of transit to Americans sooner and more effectively. The evaluation of FTA programs also allows the agency to gauge the amount of progress being made towards Departmental strategic goals that the programs themselves support. Below is a brief background description of the program evaluations.

1. Job Access and Reverse Commute (JARC) Formula Grant

The JARC program provides grants to States and localities for improving the mobility of low-income persons seeking and maintaining employment. This evaluation summary is combination of the findings of three evaluations of the JARC program that were funded by the Federal Transit Administration (FTA): An Evaluation of JARC Services; The Economic Benefits of Employment Transportation; and Partnerships for Low-Income Transportation.

2. Costs, Benefits, and Efficiencies of Public-Private Partnerships for Fixed Guideway Capital Projects

This evaluation was conducted by the Federal Transit Administration to comply with the requirements of public law 49 U.S.C. 5309(c) (6), to assess the costs, benefits, and efficiencies of public-private partnerships (PPP) for fixed guideway transit capital projects.

3. Federal Transit Administration – State Administered Public Transportation Grant Programs

FTA completed an assessment of the State Administered Program as part of the FY 2009 budget process using the Office of Management and Budget’s (OMB) Program Assessment Rating Tool (PART). The PART was completed in 2007 for the FY 2009 Budget.

**Federal Transit Administration
High Priority Performance Goal**

Priority Performance Goal: Improve Rail Transit Industry Focus on Safety Vulnerabilities

The safety of America's transit systems is one of the primary goals of the Department. The FTA High Priority Performance Goal of improving the rail transit industry focus on safety vulnerabilities will substantially support this priority by doing the following:

- The agency intends to improve the State Safety Oversight programs' compliance with existing requirements by the end of the third quarter of FY 2010.
- FTA will form a compliance advisory committee, in accordance with the Federal Advisory Committee Act, to provide input on potential future regulation by the end of FY 2010.
- At least three workshops and training on transit asset management, including a focus on safety critical assets, are anticipated to be completed by the end of FY 2010.
- FTA will develop and transmit to Congress legislation to establish stronger transit safety oversight by the end of FY 2010.

Mode: Federal Transit Administration

1. Problem being addressed

Problem statement: A series of recent serious rail transit accidents has shaken public confidence in the safety of public transit and threatens to divert ridership to private autos – a far more hazardous mode of transportation. Limited and varying adequacy of current safety management oversight systems has the potential to adversely impact the safety of transit and its ability to provide reliable mobility options to the American public. Making significant progress on this goal will require additional Congressional authority and additional resources requested in FTA's FY-2011 budget. A key milestone for this year was the development of an advocacy for such legislation, beginning with congressional hearings in December 2009.

Importance: The safety of passengers and transit workers is of primary importance to DOT. While it has not been a primary mission of FTA to directly regulate urban rail

transit, it is now a high-priority and is being pursued through proposed new legislation to provide required authorities and more resources to carry out such requirements. Public confidence in transit as a safe mode of transportation is critical to maintaining and attracting ridership and to public transportation's role in contributing to a balanced transportation network.

2. **Contributing programs within the agency/outside the agency**

Contributing Programs include:

- State Safety Oversight Program – The current regulatory framework for rail transit involves 27 state agencies that have been designated by their respective governors to oversee 47 rail transit agencies.
- American Public Transportation Association Standards Development Program – FTA is providing financial support to this industry association to develop appropriate safety standards. The safety standards are consensus based and compliance with them is voluntary
- Transit Cooperative Research Program – Develops practical solutions through research to challenges faced by the public transportation industry. This program is coordinated with the Transportation Research Board and awards competitive contracts for research. There currently are several studies underway to support improvements in public transit.
- Rail Transit Safety Oversight Program – Funds under this program will allow state rail oversight functions to be strengthened to enforce new regulations and meet federal safety standards.

Contributing Partners:

- Office of the Secretary (OST) – Under the leadership of the Deputy Secretary, FTA is participating in a cross-modal working group examining strategies to improve DOT rail and bus safety oversight.
- Joint efforts of State and local governments.
- All transit industry stakeholders have a stake in maintaining and improving transit safety. A number of transit agencies, unions, industry associations participated in an FTA-Industry listening session with the Secretary in 2009.

3. **Implementation strategy overview**

Approach:

Under the leadership of the Deputy Secretary, FTA is participating in a cross-modal working group examining strategies to improve DOT rail and bus safety oversight. These strategies, once selected, will provide direction to FTA's effort to implement this goal.

Timeline:

Tracking Success:

Performance targets are aligned into two categories: A) those that can be affected without new authority, and B) those that realistically require new authority to be effective performance metrics under FTA's control

A. Milestones and Targets that can be effected without new authority

1. Initiate a revised approach to audits of State Safety Oversight Program by focusing on improved compliance with existing State Safety Oversight requirements by the end of the third quarter of FY 2010
2. Develop and transmit to Congress legislation to establish stronger transit safety oversight by the end of FY 2010
3. Form a Federal Advisory Committee Act compliant advisory committee to provide input on potential future regulation by the end of FY 2010
4. Complete at least three workshops and training on transit asset management, including a focus on safety critical assets by the end of FY 2010
5. Complete an expanded study of the condition of transit assets by the end of FY 2010
6. Track the percentage of Federal formula funds used for replacement versus new capital purchases by the end of FY 2011

B. Milestones and Targets that need new authority to be effective

1. Reduce the right-of-way employee fatalities
2. Increase the number of transit systems where the chief safety officer reports to the general manager
3. Increase the number of state and federal safety staff are certified to enforce minimum safety regulations,
4. Increase the number of spot field audits,
5. Decrease the rate of safety audit/inspection findings,

4. Resources Required

Funding: \$24,139,000 is requested for Rail Transit Safety Oversight in FY 2011.

EXHIBIT V-1

RESEARCH, DEVELOPMENT, & TECHNOLOGY
DEPARTMENT OF TRANSPORTATION
BUDGET AUTHORITY
(\$ in thousands)

FEDERAL TRANSIT ADMINISTRATION	FY 2009 Actual	FY 2010 Enacted	FY 2011 Request	FY 2011 Applied ^{2/}	FY 2011 Development ^{2/}
A. National Research and Technology Program	45,700	44,470	20,000	14,700	2,500
1. Increase Transit Ridership	13,695	11,600	0	0	0
a. Increase Transit Ridership	2,000	1,400	0	0	0
b. Increase Transit Ridership (T)	11,695	10,200	0	0	0
2. Improve Capital and Operating Efficiency	16,650	14,495	7,200	5,700	0
a. Improve Capital and Emergency Operating Efficiency	6,790	5,430	5,700	5,700	0
b. Improve Capital and Emergency Operating Efficiency (T)	9,860	9,065	1,500	0	0
3. Improve Safety and Emergency Preparedness	6,435	7,275	2,500	0	2,500
a. Improve Safety and Emergency Preparedness	800	1,000	2,500	0	2,500
b. Improve Safety and Emergency Preparedness (T)	5,635	6,275	0	0	0
4. Protect Environment and Promote Energy Independence	5,503	6,000	0	0	0
a. Protect Environment and Promote Energy Independence	5,088	6,000	0	0	0
b. Protect Environment and Promote Energy Independence (T)	415	0	0	0	0
5. Provide Transit Research Leadership	3,417	5,100	3,200	1,900	0
a. Provide Transit Research Leadership	0	0	1,900	1,900	0
b. Provide Transit Research Leadership (T)	3,417	5,100 ^{1/}	1,300	0	0
6. Identify Methods to Increase Transit System Capacity	0	0	2,350	2,350	0
a. Identify Methods to Increase Transit System Capacity	0	0	2,350	2,350	0
b. Identify Methods to Increase Transit System Capacity (T)	0	0	0	0	0
7. Improve the Rider Experience	0	0	2,000	2,000	0
a. Improve the Rider Experience	0	0	2,000	2,000	0
b. Improve the Rider Experience (T)	0	0	0	0	0
8. Improve Transit Planning and Forecasting	0	0	1,000	1,000	0
a. Improve Transit Planning and Forecasting	0	0	1,000	1,000	0
b. Improve Transit Planning and Forecasting (T)	0	0	0	0	0
9. Rural and Targeted Populations Research	0	0	1,750	1,750	0
a. Rural and Targeted Populations Research	0	0	1,750	1,750	0
b. Rural and Targeted Populations Research (T)	0	0	0	0	0
B. Transit Cooperative Research Program (T)	10,000	10,000	9,729		
C. National Transit Institute (T)	4,300	4,300	0		
D. Rural Transit Assistance Program (T)	0	0	0		
E. University Transportation Centers (T)	7,000	7,000	0		
Subtotal, Research and University Programs	67,100	65,770	29,729	14,700	2,500
F. Clean Fuels and Environmental Research	0	0	14,743	14,743	0
1. Investigate High Efficiency Technologies and Alternative Energy Sources	0	0	13,943	13,943	0
a. Investigate High Efficiency Technologies and Alternative Energy Sources	0	0	13,943	13,943	0
b. Investigate High Efficiency Technologies and Alternative Energy Sources (T)	0	0	0	0	0
2. Reduce Transit Environmental Impacts	0	0	800	800	0
a. Reduce Transit Environmental Impacts	0	0	800	800	0
b. Reduce Transit Environmental Impacts (T)	0	0	0	0	0
G. Greenhouse Gas and Energy Reduction Deployment and Demonstrations	0	0	38,000		
Subtotal, Greenhouse Gas and Energy Reduction	0	0	52,743	14,743	0
H. Administrative Expenses	984	951	1,218	870	348
Subtotal, Research & Development	15,662	14,781	33,161	30,313	2,848
Subtotal, Technology Investment (T)	52,322	51,940	50,529	0	0
Subtotal, Facilities (F)	0	0	0	0	0
Total FTA	67,984	66,721	83,690	30,313	2,848

^{1/} Research and University Research Centers includes the \$100,000 in Indefinite Appropriation Authority.

^{2/} Note that the amounts of FY 2011 Applied and FY 2011 Development do not include Technology or Facility projects.