GROW AMERICA Act

Summary of Federal Transit Administration Provisions

The **GROW AMERICA Act** will increase average transit spending by 76 percent annually by investing $115 billion over six years into transit systems and expand transportation options. The **Act** will enable the expansion of new projects, such as light rail, street cars, and bus rapid transit, in suburbs, fast-growing cities, small towns, and rural communities, while still investing in existing transit systems.

Public transportation carried more than 10.5 billion passengers in 2013–the highest ridership level in generations. Every day, transit takes people to work, school, medical appointments, grocery shopping, and to countless special events. Access to transit improves the quality of life for commuters who appreciate a choice of transportation options, while offering a dependable lifeline to all those who cannot afford or choose not to have the expense of owning a private vehicle. Taking transit helps families manage their household budgets and reduces congestion and poor air quality in communities nationwide.

As the nation's population and transit ridership continue to rise, so too does the strain on our public transportation infrastructure. With an aging transit infrastructure and a backlog of transit-related capital maintenance needs swelling past $86 billion nationwide, the Administration recognizes the need for a strong investment in our transportation network – not just in our cities and suburbs, but in rural communities too–to ensure that our public transportation systems are safe, reliable, modern, and accessible.

New Programs

Rapid Growth Area Transit Program: By 2050, the population of the U.S. is expected to grow by an estimated 100 million people, with most of that population growth occurring in mid-sized and large urban areas. These communities need innovative solutions to cope with the challenges that accompany growth—including ways to manage congestion, sprawl, air quality, and provide affordable, efficient access to jobs and services. This new program will provide capital funds on a competitive basis to help fast-growing communities introduce new bus rapid transit (BRT) systems as part of their transportation mix. BRT systems are a proven way to expand mobility relatively quickly and affordably—helping communities to get ahead of congestion and develop a transit-oriented culture as an integral part of their growth management strategy. (Section 3011)

Local Hiring: The **GROW AMERICA Act** allows the use of local hiring preferences in contracts using Federal Transit Administration (FTA) funds for projects over $10 million when the work is in an area with a low per capita income or higher than average unemployment. The **Act** will support local hiring as an effective tool to help men and women who are ready to work to obtain jobs, and job training, in their communities. The local-hiring preferences are designed with flexibility and as such may not require the hiring of workers without the necessary skills, and the use of such preferences may not compromise the quality, timeliness, or cost of the project. Currently, federal requirements prohibit the use of local-hiring preferences. (Section 3007)

Fixing and Accelerating Surface Transportation (FAST): The Nation requires seamless, intermodal transportation networks in order to move people and goods efficiently and effectively—and achieving that goal requires improved transportation-related coordination among federal, state, and local entities. The **GROW AMERICA Act** will establish a $1 billion per year competitive grant program designed to incentivize State, local, and private stakeholders to demonstrate forward-leaning solutions to transportation challenges in areas such as safety, congestion management, environmental performance, or regional collaboration. Modeled after the Department of Education's Race to the Top program—and jointly administered by the Federal Transit Administration and Federal Highway Administration— this program encourages the adoption of bold, innovative strategies and best practices in transportation that would have long-term impact on all projects across the transportation programs. Within the total funding provided for this program, the Secretary has discretion to set aside funds specifically for high-performing Metropolitan Planning Organizations (MPOs) to effectively coordinate planning and investments in regional surface transportation priorities and projects by bringing federal and state planning organizations, tribes and decision makers together. . (Section 5602)

Changes to Existing Programs

Bus and Bus Facilities Program: The Administration is committed to ensuring that the more than 110,000 of the nation's transit buses and vans and the associated bus stations, terminals, and maintenance facilities are reliable, efficient, and safe for the riding public. More than 10 billion passenger trips were taken in 2013—over half of them by bus. The **Act** will significantly increase the funds available to address bus and bus facility needs. Under the **Act**, 70 percent of funds will adhere to the current formula distribution, while 30 percent of the funds will be distributed through a discretionary, competitive process. These funds will be awarded to projects on a competitive basis, of which at least 10 percent will be disseminated to rural transit agencies. To avoid unnecessary project funding delays, the **Act** would remove the statutory requirement that funds be channeled through a designated recipient, and instead allow State and local governmental entities that operate fixed-route bus service to become eligible to receive grant funds directly. These changes will make significant headway in improving the current program. (Section 3010)

Workforce Development: The Administration recognizes that our modern transportation industry needs highly skilled, trained technicians to build, maintain, and repair new generations of transit vehicles, such as electric and hydrogen fuel-cell buses and components. However, a serious gap exists in the skilled transit workforce—estimated to be 5,000 to 6,000 workers. The gap results, in large part, from an aging workforce, the rise in new technologies, and the need for additional training.

We must invest in the training programs and apprenticeships that will enable a new generation of workers to refine their skillsets to meet future demands—and contribute to building our nation's 21st Century transportation infrastructure. The **Act** will expand FTA's workforce development efforts by creating a new Ladders of Opportunity Program that will fund and support innovative workforce development programs that carry out transit-focused workforce efforts, particularly at the regional and/or national level. The **Act** will also establish a new Public Transit Institute to replace the current National Transit Institute (NTI). This Institute will be competitively bid, thus allowing FTA to expand training to cover blue-collar transit workforce training in addition to the management-level courses now offered by NTI. Also, the **Act** will allow transit agencies to use up to .5 percent of their Urbanized Area Formula (Section 5307) funding and Capital Investment Grant Program funds to invest in training both under the Ladders of Opportunity Program and at the Public Transportation Institute. (Section 3005)

Buy America: The U.S. Department of Transportation's (DOT) Buy America program is an important tool for encouraging the production of American-made components for rail transit vehicles, transit buses, and related equipment and facilities. The program reflects the Administration's commitment to preserving and creating home-grown jobs that support our domestic manufacturing industry and positions the U.S. to take the lead in transportation-related innovation. Therefore, the **Act** will increase the domestic content requirement for manufacturing rolling stock components and subcomponents—including train control, communication, traction power equipment, and rolling stock prototypes—greater than the current standard of 60 percent, beginning in 2016. The requirement will increase to at least 70 percent in fiscal year 2016, at least 80 percent in fiscal year 2017, and at least 90 percent in fiscal year 2018. By 2019, 100 percent of the cost of components and subcomponents for rolling stock, including rolling stock prototypes, will have to be produced in the U.S. Final assembly in the U.S. is to be required, as under MAP-21. (Section 3006)

Safety: Safety is DOT's highest priority, and we are committed to ensuring that the transit-riding public may travel as safely as possible. MAP-21 was an historic starting point for establishing FTA's new safety authority. Going forward, the **Act** will make important amendments to the law. This includes, first, an opt-out provision from the law's State Safety Oversight program. This will apply to states with fixed guideway public transportation systems (in operation, under construction, or in design) with fewer than one million combined actual and projected revenue miles per year, or which provide fewer than 10 million combined actual and projected unlinked passengers trips per year. The Secretary of Transportation will oversee the safety of these exempted systems. Second, the **Act** will strengthen FTA's enforcement authority. Third, the **Act** will provide resources to fully carry out the safety program, including providing an appropriate level of assistance to states and individual transit providers, as well as establishing new enforcement-related activities, while also enhancing safety data collection. (Section 3008)