

**BUDGET
ESTIMATES
FISCAL YEAR 2009**

**FEDERAL TRANSIT
ADMINISTRATION**

SUBMITTED FOR USE OF
THE COMMITTEES ON APPROPRIATIONS

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

**FISCAL YEAR 2009
BUDGET ESTIMATES**

SUBMISSION TO CONGRESS

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

FY 2009 BUDGET SUBMISSION TO THE CONGRESS

TABLE OF CONTENTS

Section 1. General Statement and Organization Charts

General Statement.....	1
Organization Charts.....	9

Section 2. Budget Summary and Administrative Provisions

Budget Summary and Exhibits.....	12
Exh. II - 1 – Comparative Statement of New Budget Authority	
Exh. II - 2 – FY 2008 Request By Appropriation Acct (Approp, Oblim, Exempt)	
Exh. II - 3 – FY 2008 Request By Strategic Objective	
Exh. II - 4 – FY 2008 Request By Appropriation Account (Budget Authority)	
Exh. II - 5 – FY 2008 Request By Appropriation Account (Outlays)	
Exh. II - 6 – Summary of Requested Funding Changes from Base (Admin Exp)	
Exh. II - 6A – Working Capital Fund	
Exh. II - 7 – Personnel Resource Summary – Full-time Equivalents (FTE)	
Exh. II - 8 – Personnel Resource Summary – Full-time Permanent Positions (FTP)	
Administrative Provisions.....	22

Section 3. Request by Appropriation Account

Administrative Expenses.....	25
Formula Grants.....	49
University Transportation Research.....	53
Research and University Research Centers.....	55
Job Access and Reverse Commute.....	79
Capital Investment Grants.....	81

Research, Training and Human Resources	110
Interstate Transfer Grants – Transit	112
Washington Metropolitan Area Transit Authority	114
Miscellaneous Expired Accounts	116
Discretionary Grants	118
Formula and Bus Grants	120
Ten-Year Appropriation History	161

Section 4. Performance Budget

Performance Goals and Strategic Objectives (Exhibit IV)	175
Performance Overview	177
Safety	187
Reduced Congestion	192
Global Connectivity	204
Environmental Stewardship	210
Security, Preparedness and Response	217
Organizational Excellence	222

Section 5. Research, Development and Technology Exhibits

RD&T Budget and Performance Charts (Exhibits V-1 & V-2)	239
RD&T Program Summary (Exhibit V-2A)	241
Secretarial/Administration RD&T Priorities (Exhibit V-3)	263
R&D Investment Criteria (Exhibit V-4)	267

Section 1. General Statement and Organization Charts

**FEDERAL TRANSIT ADMINISTRATION
FY 2009 BUDGET SUBMISSION**

GENERAL STATEMENT

In FY 2009, the Federal Transit Administration (FTA) requests \$10.1 billion in budgetary resources, an increase of \$643.8 million, or almost 7 percent above the enacted Consolidated Appropriations Act of 2008. This increase represents a record level of funding for Federal public transportation programs.

Our budget request will achieve quantifiable and executable improvements that support the Secretary's priorities -- safety, system performance and reliability, and 21st century solutions for 21st century transportation problems. We accept the challenge of applying a new paradigm to old problems and developing competitive solutions for new problems. This approach will improve transit system performance through improved operations and by providing a long-term strategy to improve the health of the Nation's transit system.

Our budget supports public transportation by providing stable, predictable formula funds to urbanized areas, increasing funding for underserved rural communities, fully funding the annual cost of multi-year construction projects under the New Starts and Small Starts programs, and improving transportation services to the elderly, low income, and persons with disabilities, through coordinated planning and predictable funding.

Top FY 2009 Priorities

- Increase system capacity and improve safety and performance with existing infrastructure
- Leverage private investment in public transportation through public-private partnerships and joint development activities.
- Include transit in Urban Partnership Agreements to reduce traffic congestion.
- Implement the President's "Twenty In Ten" plan by increasing the fuel economy of transit buses.
- Improve customer service through targeted program delivery process improvements.
- Increase productivity through high employee morale and a continuous improvement program.

Increase system capacity and improve safety and performance with existing infrastructure

There are a number of ways that FTA can improve the performance of the Nation's transit system. Instituting model performance and technical specifications for rail cars and buses would bring more competition to vehicle procurements, lower costs, improve quality, and speed deliveries. While past standardization efforts failed to take hold in the transit industry because of system preferences such as distinctive vehicle appearance, FTA believes a renewed effort to standardize, coupled with funding incentives, will overcome past barriers.

FTA's FY 2009 budget request includes \$1 million to 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.

In FY 2009, FTA will work to increase the capacity of existing rail systems with improved signal technology. Revolutionizing transit signal and train control will allow for increased throughput and decreased headways without compromising safety. Signal technology known as "moving-block" or "communication-based" train control allows vehicles to be continuously aware of the position and speed of preceding and following vehicles. Implementing this technology would mean abandoning the old "track circuits" methodology. Instead, signal technology relies on some form of communication device to transmit vehicle information.

FTA plans to implement benchmarking, an industry standard operating procedure, to improve nationwide transit system performance. Benchmarking will include: identifying the critical success areas of public transportation systems; defining key performance indicators to measure area success; collecting uniform data on performance, consolidating benchmark results (identifying gaps of each performance indicator with the best performer); and assessing public transit operators against high-priority improvement areas.

Leverage private investment in public transportation through public-private partnerships and joint development activities

SAFETEA-LU provides that "the Secretary may establish and implement a pilot program to demonstrate the advantages and disadvantages of public-private partnerships for certain new fixed guideway capital projects." On January 19, 2007, FTA published a notice in the Federal Register soliciting applications for up to three projects in its Public-Private Partnership Pilot Program (the "Pilot Program"). The Pilot Program will study whether, in comparison to conventional procurements, PPPs better reduce and allocate risks associated with new construction, accelerate project delivery, improve the reliability of project costs and benefit estimates, and enhance project performance. FTA awarded \$25 million to the Bay Area Rapid Transit District's Oakland Airport Connector Project under FTA's Public-Private Partnership Program in August 2007. Two additional PPPs are being considered; the Denver Regional Transportation District's Gold Line and East Corridor Commuter Rail, and the Metropolitan Transit Authority of Harris County, Texas, North Corridor and Southeast Corridor Guided Rapid Transit.

To further private investment in construction, operation and maintenance of public transit systems, FTA expects to approve at least three joint development projects. SAFETEA-LU added intercity bus and rail stations and terminals to FTA's joint development authority and exempts such facilities from the prohibition on funding construction of commercial, revenue-producing facilities. The Transportation Equity Act for the 21st Century (TEA-21) incorporated joint development authority into the definition of a public transportation "capital project" in 49 U.S.C section 5302(a)(1)(G). This made joint development activities eligible for reimbursement under formula and discretionary grant programs. FTA's FY 2009

budget request includes \$500,000 to study and disseminate “best practices” of transit oriented development, mixed-use housing and joint development.

Transit Urban Partnership Agreements to reduce traffic congestion

Congestion imposes substantial costs on our nation’s travelers. Traffic jams are increasingly stealing from busy citizens and families their single most valuable commodity -- time. The Washington Post Magazine ran a cover story in June 2007 on this very topic, entitled “Hell on Wheels: Inside the Nerve-Jangling, Marriage-Rattling Reality of Marathon Commuting”. About 10 percent of commuting Americans travel more than an hour each way to and from work, averaging 82 minutes per trip. In 2003, Americans wasted 3.7 billion hours and 2.3 billion gallons of fuel sitting in traffic jams. And in the nation’s largest cities, each rush hour traveler spends the equivalent of almost 8 work days each year stuck in traffic.

Urban Partnership Agreements (UPA) reflect the Department’s effort to develop, in the words of U.S. Transportation Secretary Mary Peters, “21st Century Solutions to 21st Century Challenges” facing the Nation’s transportation network. FTA supports the Department’s efforts to offer a more attractive alternative to automobile travel and accommodate peak-period commuters who switch to transit when roads adopt congestion pricing. A key area for transit investment will include creating or expanding express bus services or bus rapid transit (BRT), and other transit alternatives that benefit from the free flow traffic conditions generated by congestion pricing or variable tolling.

The Department of Transportation (DOT) announced in August 2007, five metropolitan areas across the country as the first communities to participate in DOT’s initiative to fight traffic gridlock. The cities include: Miami, Florida, Minneapolis, Minnesota, New York City, New York, San Francisco, California, and Seattle, Washington. These five areas were among the 26 communities nationwide who applied to the Department’s Urban Partnership program aimed at addressing congestion.

FTA committed \$420.4 million in bus and alternatives analysis funds for the transit elements of the five Urban Partners. The transit funds will support investment in: buses, stations and terminals in Miami, Minneapolis and Seattle; bus lanes in Minneapolis; BRT lines, bus garages and layover facilities in New York City; and Intelligent Transportation Systems (ITS) such as transit signal priority systems in Minneapolis, San Francisco and Seattle.

In FY 2009, a total of \$462.9 million will be available for discretionary allocation by FTA under the Bus and Bus Facilities program. FTA plans to publish a solicitation early in the fiscal year to distribute these resources to transit operations around the country, to replace over-aged buses, expand fleets to improve service, and refurbish or build new bus related facilities. FTA believes that the strategic investment of the bus resources in these projects will demonstrate the important role of transit in addressing congestion and ultimately lead to more support for transit in all areas a primary goal of the “congestion initiative” carried-out under DOT Urban Partnership Agreements.

Implement the President's "Twenty In Ten" plan by increasing the fuel economy of transit buses

Currently, transportation consumes 43 percent of America's total energy usage and that number is estimated to grow in the future. In order to decrease gasoline consumption and support the President's "Twenty in Ten" plan, FTA will fund targeted research on fuel cell bus technology. In addition, FTA has played an instrumental role in spurring the adoption of natural gas buses into routine revenue service operations. We are playing a similar role in helping to accelerate the adoption of electric drive technologies – battery electric, hybrid electric, and hydrogen fuel cell buses.

Through the National Fuel Cell Bus Technology Development Program established in SAFETEA-LU, FTA will support research and demonstration projects at up to three private sector not-for-profit organizations. The program will facilitate the development of commercially viable fuel cell bus technologies and related infrastructure for application in transit revenue service operations.

FTA has identified a number of research objectives to protect the environment and promote energy independence. In FY 2009, FTA will continue research into Clean Fuels and Electric Drive Bus Deployment – Hybrid Electric (\$3.3 million), environmental management to fully integrate land use, economic development, and environmental quality considerations into the planning process (\$550,000); and Rail Energy Conservation Improvements to reduce energy consumption of rail systems (\$1.25 million).

Improve customer service through targeted program delivery process improvements

FTA is committed to improving the effectiveness and efficiency of the New Starts process. Due to the complexity and size of many New Starts projects, the delivery time for these projects can range from 6 to 12 years. While the methodologies for justifying, rating and managing these major transit investments are sound, stakeholders have raised questions on the effectiveness and efficiency of FTA's evaluation and decision-making process. To address these concerns, FTA engaged an international business and management consulting firm to review our New Starts process. That firm reviewed and assessed every aspect of the New Starts competitive process from organizational structure and operations to improved project delivery. FTA is committed not only to continuous improvement of the New Starts project development process, but also to identifying possible significant changes, and streamlining opportunities in the highly political and regulated environment of New Starts projects.

FTA also remains committed to completing New Starts projects on time and on budget. Our successful oversight program works with transit agencies to identify potential problems before they grow into major cost and schedule overruns. The Department's Inspector General reported that FTA's oversight program is "essentially a sound approach that can provide early warnings of cost, schedule, and quality problems."

As part of our continuous improvement effort, FTA will streamline the oversight program and review business processes and generate recommendations for process improvements. This initiative, called the “Quality Design Initiative” (QDI), will review and analyze the purpose and effectiveness of FTA’s current oversight review programs, procedures and mechanisms. QDI will culminate with concrete findings, recommendations, as well as a “plan-of-action” for realistic and executable improvements to oversight as practiced by FTA.

FTA continues to work to coordinate human services transportation to reduce duplication, simplify access and increase the efficiency of 64 separate Federal transportation programs supporting transit for disadvantaged populations. A 2004 Executive Order established the Interagency Transportation Coordinating Council on Access and Mobility, comprised of 12 Federal Departments and chaired by the Secretary of Transportation. The Council continues to support FTA’s United We Ride human service coordination initiative, FTA’s Rural Transportation Assistance Program, and Easter Seals Project ACTION.

Increase productivity through high employee morale and a continuous improvement program.

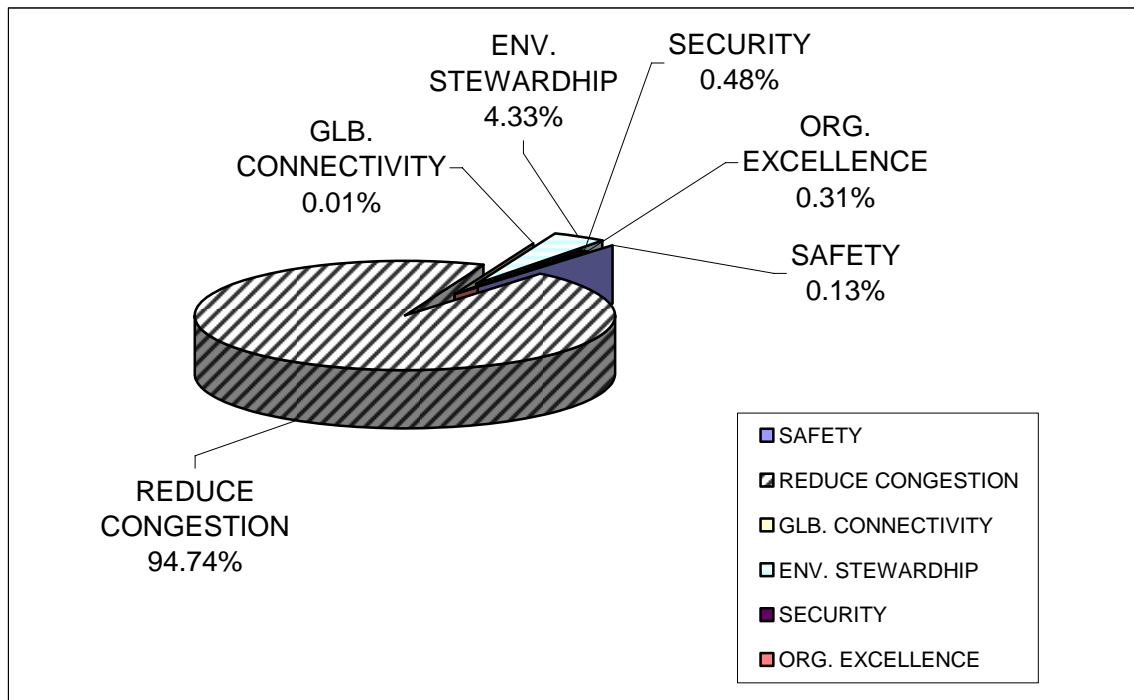
FTA is on a journey to excellence. By implementing a continuous improvement process using criteria from the Malcolm Baldrige National Quality Award, FTA will demonstrate that it is one of the best agencies in the Federal government. FTA submitted its Baldrige application in May 2007 and received feedback from the Baldrige committee. The committee recognized that FTA had multiple approaches to managing succession planning, workforce management and leadership development. The committee further stated the policies and programs FTA has implemented are “forward-thinking approaches that positively impact organizational values and the agility of FTA and its human capital, and they may increase FTA’s ability to realize its vision of being a great place to work.”

FTA intends to increase productivity and high morale through a number of employee-driven initiatives. We believe that our workforce is often the best source of information for solving problems facing employees today and instituted a suggestion box that allows employees to identify problems and solutions. The Baldrige report commended FTA for its focus on communication and employee empowerment. These approaches support FTA’s strategic advantage of having a “skilled and committed workforce.”

Strategic Investment in FY 2009

FTA’s budget supports the goals in the Department’s strategic plan: 1) **Safety** – Enhance public health and safety by working to eliminate transit-related deaths, injuries, and property damage, and improve personal security and property protection; 2) **Reduce Congestion** – Reduce congestion and other impediments to using the Nation’s transportation system; 3) **Global Connectivity** – Facilitate an international transportation system that promotes economic growth and development; 4) **Environmental Stewardship** – Promote transportation solutions that enhance communities and protect the natural and built environment; 5) **Security, Preparedness, & Response** – Balance transportation security requirements with the safety, mobility and economic needs of the Nation and be prepared to respond to emergencies that affect the viability of the transportation sector; and

6) **Organizational Excellence** – Advance the Department’s ability to manage for results and achieve the goals of the President’s Management Agenda.



Safety. FTA shares the Administration’s emphasis on safety and security as the top priority of the Nation's transportation system. Due in part to FTA's commitment to safety, public transportation is the safest mode of surface transportation. 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. FTA's goal is to promote public health and safety by working to eliminate transit-related deaths, injuries, and property damage, as well as improve personal security and property protection. Our challenge is to further reduce the rate of fatalities and injuries, even as the total number of people using transit increases. To help meet this challenge, the budget requests \$13.2 million for FTA safety oversight, research, and associated administrative costs. Our commitment to fund transit safety will contribute to reducing the rate of transit-related injuries and incidents.

Reduced Congestion. A key goal of the Department is to increase access to domestic transportation systems for the movement of people and commodities, thus promoting America's economic growth and competitiveness through efficient and flexible transportation. FTA continues to positively shape America's future by ensuring that our public transportation system is efficient, accessible, integrated with other modes, and that it offers all individuals viable transportation choices. Eighty million Americans who live in transit-intensive urban areas directly benefit from having public transportation.

In addition, many elderly, poor, and disadvantaged individuals in rural and small urban areas depend on public transit services for basic mobility to jobs, medical services, and grocery stores. Many of the 37 million Americans who live below the poverty level rely on transit as

their only means of transportation. Transit is also important to many of the 54 million Americans with disabilities. FTA strongly supports the President's commitment to remove the transportation barriers that face Americans with disabilities. FTA has worked tirelessly with our transit operators and State partners toward our goal that 98 percent of all transit buses be lift-equipped or have low-floors by 2009, and that 100 percent of key rail stations will comply with the Americans with Disabilities Act (ADA) by the year 2010.¹

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. Our most data shows that people rode our Nation's public transportation systems more than 9.5 billion times in 2006 -- traveling to and from work, medical appointments, school, and social events with 57 percent of the trips on buses.

Our budget requests \$9,602.3 million (95 percent of our total budget request) to support a transportation system that is accessible, seamless with other modes, efficient, and offers viable transportation choices.

Global Connectivity. FTA promotes the export of U.S. transit goods and services, and informs the transit industry about technology and innovations found abroad that can be used to improve domestic transit systems. The budget requests \$1 million to continue the goal to assist the U.S. public transportation industry in learning about and accessing business opportunities in the global marketplace. Efforts over the past year included partnering with the U.S. Department of Energy to support public transportation initiatives in conjunction with the 2008 Beijing Olympics, to help U.S. firms with environmentally friendly transit technologies enter the Chinese market.

Environmental Stewardship. Another of the Department's performance goals is to promote transportation solutions that enhance communities and protect the natural and built environment — both of which are affected by transportation. The FY 2009 budget requests \$439 million for this goal. In pursuit of a cleaner environment, FTA sponsors research on and test innovative technologies such as hybrid electric buses and alternative fuels that are less polluting than diesel fuel. Enabling and promoting the expanded use of clean fuel buses, particularly in urbanized areas that are in Clean Air Act non-attainment status for ozone, particulates, or carbon monoxide emission reductions, is an important FTA objective.

Security, Preparedness, and Response. Every day, more than 25 million trips are taken on transit, which are more trips than are taken on Amtrak in a year. As many trips are taken in one month on transit as are taken in one year on all the Nation's commercial airlines combined. Transit agencies across America have strengthened their security systems and enhanced their emergency response plans, and FTA has placed a high priority on increasing

¹ Although the Americans with Disabilities Act required all key stations to be accessible by July 26, 1993, 49 CFR 37.47 (c)(2) permitted the FTA Administrator to grant an extension up to July 26, 2020 for stations requiring extraordinarily expensive structural modifications to bring them into compliance. Currently, there are 138 stations under FTA approved time extensions. FTA's goal is to have 94 percent of the key stations in full compliance by 2009.

the security of our public transportation systems and ensuring that they are prepared for security threats and emergency situations.

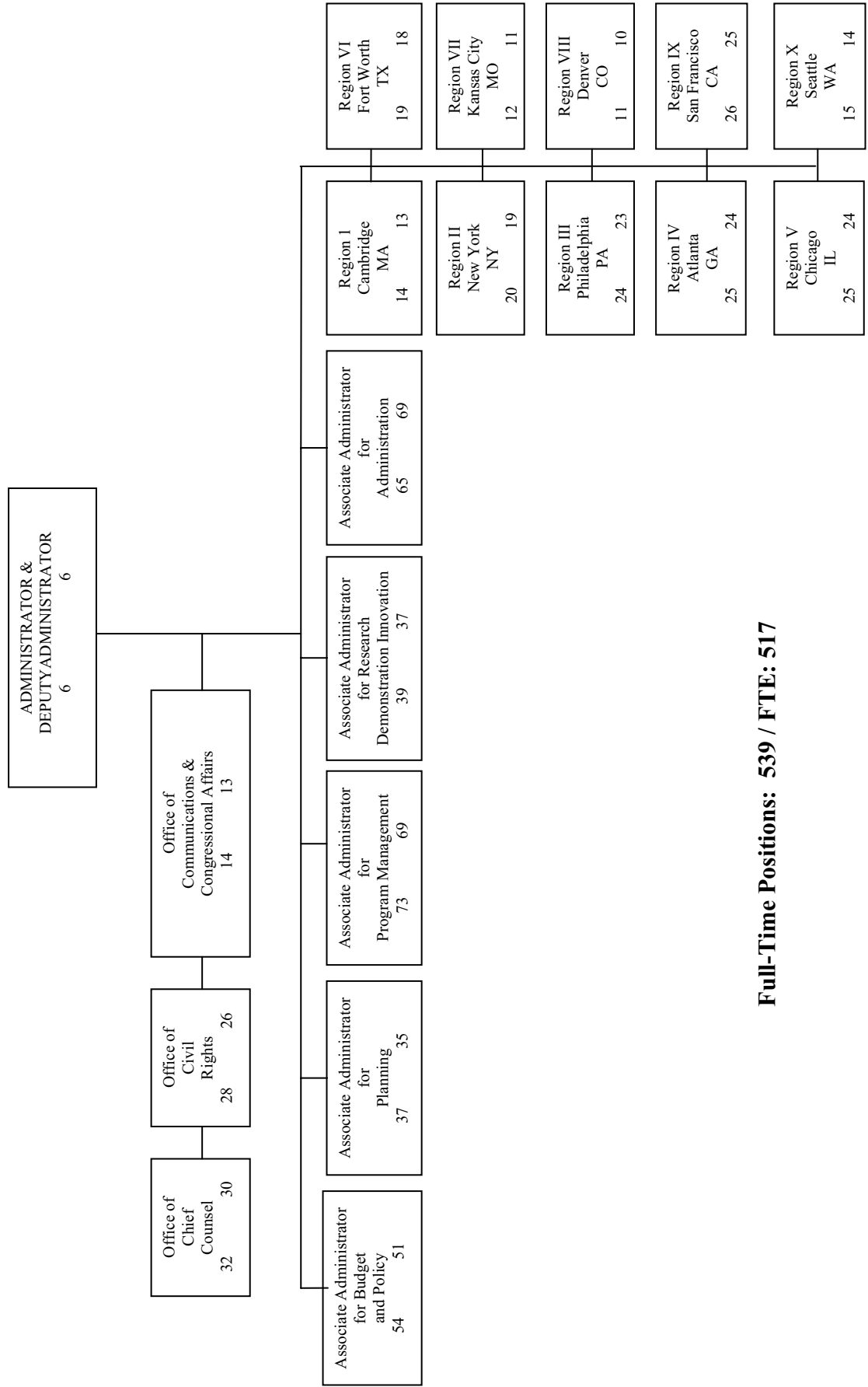
Consistent with SAFETEA-LU, recipients of Section 5307 formula funding are required to use at least one percent of their grant each fiscal year on “public transportation security projects,” unless the grantee certifies, and the Secretary of Transportation agrees, that funding security projects is unnecessary. These funds contribute to safer transit by improving the condition of public transportation fleets, track and transit facilities. The FTA budget requests \$48.3 million to ensure that transit agencies address security needs and provide assistance in the areas of emergency preparedness, employee training, and public awareness.

Organizational Excellence. This budget request continues to focus on seven government-wide initiatives under the President’s Management Agenda that apply to FTA. Constant effort must be made to find creative ways to save and stretch taxpayer dollars, many through small improvements. While addressing such challenges requires sustained effort, significant progress has been made during the past year in several areas of the President’s Management Agenda. The actions necessary to “Get to Green” on the President’s management scorecard have been integrated into FTA’s Annual Performance Plan and are woven into every facet of our operations.

The five core government-wide initiatives in the President’s Management Agenda and two additional initiatives that apply to FTA are: 1) Strategic Management of Human Capital; 2) Expanded Electronic Government; 3) Competitive Sourcing; 4) Improved Financial Management; 5) Budget and Performance Integration; 6) R&D Investment Criteria; 7) Eliminating Improper Payments. FTA’s budget request of \$31.5 million will continue our efforts to maintain “green” ratings or “get to green” in all seven of the President’s Management Agenda initiatives.

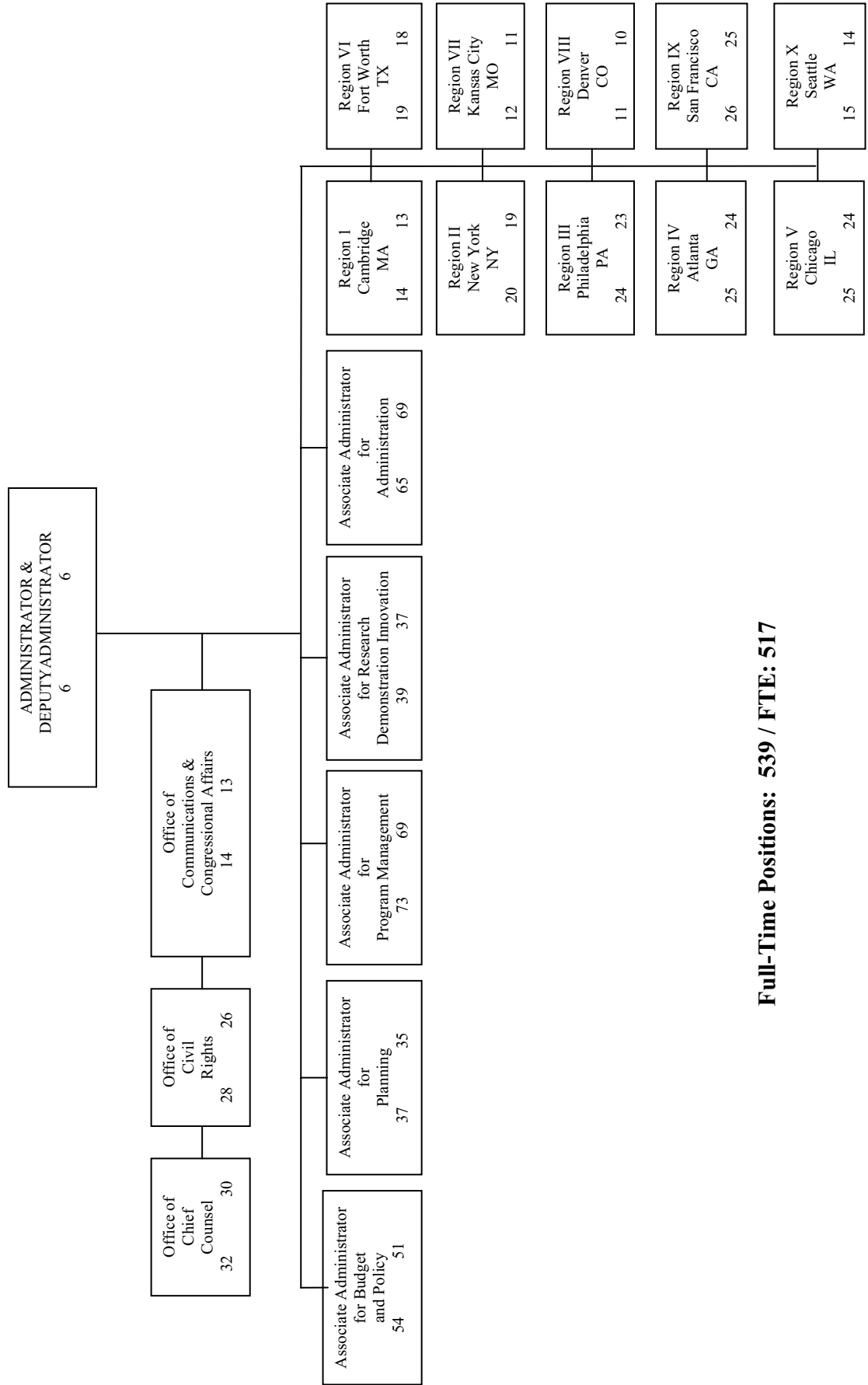
The record demand for public transportation suggests that Americans want more and better public transportation alternatives and FTA’s budget is citizen-centered, outcome-oriented, and customer-focused. This budget contributes to a healthy economy, facilitates mobility in communities, helps reduce congestion, conserves energy and protects the environment. We continue to work with our public transportation stakeholders to implement SAFETEA-LU and the Secretary’s *National Strategy to Reduce Congestion on America’s Transportation Network* that will significantly increase the quality of life of every person and every business in America. This budget will position transit to achieve tremendous success in FY 2009 and beyond.

FY 2008 Full-Time Positions and FTE



Full-Time Positions: 539 / FTE: 517

FY 2009 Full-Time Positions and FTE



Full-Time Positions: 539 / FTE: 517

Section 2. Budget Summary and Exhibits

EXHIBIT II-1
COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY
FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

ACCOUNTS	FY 2007 Actual	1/	FY 2008 Enacted	FY 2009 Request
1. Administrative Expenses (General Funds)	85,000		89,300	94,413
2. Research and University Research Centers (General Funds) 2/	61,000		65,363	59,600
3. Capital Investment Grants (General Funds)	1,566,000		1,569,092	1,620,829
4. Formula Grants - Supplemental (General Funds)	35,000	3/	---	---
5. Formula and Bus Grants (Trust Funds)	8,240,281	5/	7,767,887	8,360,565
TOTALS:	9,987,281		9,491,642	10,135,407

1/ FY 2007 reflects the Revised Continuing Appropriations Resolution, 2007, Pub. L.110-5.

2/ Research and University Research Centers does not include the \$100,000 in Indefinite Appropriation Authority in FY 2008 and FY 2009 for the International Mass Transportation Program.

3/ Includes 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. Pub. L. 110-28.

4/ FY 2008 reflects enacted obligation limitation and rescission of \$105,005,938 pursuant to Pub. L. 110-161 Div K, Title I, Section 172 and 173.

5/ Includes \$977 million in net "flex fund" transfers from the Federal Highway Administration.

NOTE: Some totals may not add due to rounding.

EXHIBIT II-2
FY 2009 BUDGET REQUEST BY APPROPRIATION ACCOUNT
FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

ACCOUNTS	FY 2007 Actual	1/ FY 2008 Enacted	FY 2009 Request
1. Administrative Expenses	85,000	89,300	94,413
2. Research and University Research Centers 2/	<u>61,000</u>	<u>65,363</u>	<u>59,600</u>
National Research Program (Section 5314)	40,400	44,763	39,000
Transit Cooperative Research (Section 5313)	9,300	9,300	9,300
National Transit Institute (Section 5315)	4,300	4,300	4,300
University Centers Program (Section 5506)	7,000	7,000	7,000
3. Capital Investment Grants	<u>1,566,000</u>	<u>1,569,092</u>	<u>1,620,829</u>
New Starts and Small Starts (Section 5309)	1,566,000	1,569,092	1,620,829
4. Formula Grants	<u>35,000</u>		
Supplemental for Katrina Recovery P.L. 110-28	35,000 3/	---	---
5. Formula and Bus Grants	<u>8,240,281</u> 5/	<u>7,767,887</u> 4/	<u>8,360,565</u>
Urbanized Area Formula Grants (Section 5307)	4,783,248	4,280,002	4,552,281
Fixed Guideway Modernization (Section 5309)	1,448,000	1,570,000	1,666,500
Bus and Bus Facility Grants (Section 5309)	897,523	823,053	984,000
Over-the-Road Bus Accessibility Program (Section 3038 TEA-21)	7,600	8,300	8,800
Clean Fuels Grant Program (Section 5308)	18,721	49,000	51,500
Planning Programs (Section 5305)	136,986	107,000	113,500
Formula Grants for Special Needs for Elderly Individuals and Individuals with Disabilities (Section 5310)	177,076	127,000	133,500
Formula Grants for Other Than Urbanized Areas (Section 5311)	494,628	506,841	538,084
Job Access and Reverse Commute Formula Program (Section 5316)	144,000	156,000	164,500
New Freedom Program (Section 5317)	81,000	87,500	92,500
National Transit Database (Section 5335)	3,500	3,500	3,500
Alternatives Analysis Program (Section 5339)	25,000	24,691	25,000
Alternative Transportation in Parks and Public Lands (Section 5320)	23,000	25,000	26,900
TOTALS:	<u>9,987,281</u>	<u>9,491,642</u>	<u>10,135,407</u>

1/ FY 2007 reflects Revised Continuing Appropriations Resolution, 2007 Pub.L.110-5.

2/ Research and University Research Centers does not include the \$100,000 in Indefinite Appropriation Authority in FY 2008 and FY 2009 for the International Mass Transportation Program.

3/ Includes 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. Pub. L. 110-28.

4/ FY 2008 reflects enacted obligation limitation and rescission of \$105,005,938 pursuant to Pub. L. 110-161 Div K, Title I, sections 172 and 173.

5/ Includes \$977 million in net "flex fund" transfers from the Federal Highway Administration.

NOTE: Some totals may not add due to rounding.

EXHIBIT II-3
FY 2009 BUDGET REQUEST BY APPROPRIATION ACCOUNT AND STRATEGIC OBJECTIVE
FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

Appropriation/ Program Activity/ Performance Goal	Safety	Reduced Congestion	Global Conn.	Environ. Steward.	Security	Org. Excellence	Total
<u>Administrative Expenses</u>	<u>1,048</u>	<u>64,241</u>	<u>299</u>	<u>749</u>	<u>599</u>	<u>27,477</u>	<u>94,413</u>
Program Support	<u>1,048</u>	<u>64,241</u>	<u>299</u>	<u>749</u>	<u>599</u>	<u>10,482</u>	<u>77,418</u>
Reduction in transit-related deaths and injuries	1,048						1,048
Reduction in urban congestion		62,893					62,893
Increased access for all Americans		1,348					1,348
Reduced barriers to trade in transit goods and Reduced pollution effects of transit			299	749			299 749
Effective response to emergencies affecting transit goals					599	2,695	599 2,695
Achieved competitive sourcing goals						299	299
Achieved financial performance goals						3,594	3,594
Achieved E-government goals						2,247	2,247
Achieved budget and performance integration goals						1,647	1,647
Administrative Programs goals	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,995</u>	<u>16,995</u>
Achieved financial performance goals						1,105	1,105
Achieved E-government goals						5,165	5,165
						10,725	10,725
<u>Formula and Bus Grants</u>	<u>4,550</u>	<u>7,872,555</u>	<u>0</u>	<u>433,143</u>	<u>46,917</u>	<u>3,400</u>	<u>8,360,565</u>
Planning Programs	<u>0</u>	<u>112,933</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>112,933</u>
Reduction in urban congestion		112,933	0	0	0	0	112,933
Clean Fuels Grant Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>51,500</u>	<u>0</u>	<u>0</u>	<u>51,500</u>
Reduced pollution effects of transit				51,500			51,500
Urbanized Area Formula Grants	<u>0</u>	<u>4,219,502</u>	<u>0</u>	<u>256,364</u>	<u>45,211</u>	<u>0</u>	<u>4,521,077</u>
Reduction in urban congestion		4,101,355					4,101,355
Increased access for all Americans		118,147					118,147
Reduced pollution effects of transit				256,364			256,364
Effective response to emergencies affecting transit					45,211		45,211
Bus and Bus Facility Grants	<u>0</u>	<u>876,082</u>	<u>0</u>	<u>98,078</u>	<u>0</u>	<u>0</u>	<u>974,160</u>
Reduction in urban congestion		876,082					876,082
Reduced pollution effects of transit				98,078			98,078
Fixed Guideway Modernization	<u>0</u>	<u>1,649,835</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,649,835</u>
Reduction in urban congestion		1,649,835					1,649,835
Grants for Elderly and Persons With Disabilities	<u>0</u>	<u>132,833</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>132,833</u>
Increased access for all Americans		132,833					132,833
Non-urbanized Area Formula Grants		<u>535,759</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>535,759</u>
Reduction in congestion		535,759					535,759
Job Access and Reverse Commute Program	<u>0</u>	<u>162,855</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>162,855</u>
Increased access for all Americans		162,855					162,855
New Freedom Program		<u>91,575</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>91,575</u>
Increased access for all Americans		91,575					91,575
Alternative Transportation in Parks and Public Lands	<u>0</u>	<u>0</u>	<u>0</u>	<u>26,766</u>	<u>0</u>	<u>0</u>	<u>26,766</u>
Reduced pollution effects of transit				26,766			26,766
National Transit Database	<u>0</u>	<u>3,500</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,500</u>
Reduction in urban congestion		3,500					3,500
Alternatives Analysis Program	<u>0</u>	<u>25,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>25,000</u>
Reduction in urban congestion		25,000					25,000
Over-the-Road-Bus Program	<u>0</u>	<u>8,800</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,800</u>
Increased access for all Americans		8,800					8,800

Appropriation/ Program Activity/ Performance Goal	Safety	Reduced Congestion	Global Conn.	Environ. Steward.	Security	Org. Excellence	Total
Oversight	<u>4,550</u>	<u>53,881</u>	<u>0</u>	<u>435</u>	<u>1,706</u>	<u>3,400</u>	<u>63,972</u>
Reduction in transit-related deaths and injuries	4,550						4,550
Reduction in urban congestion		49,751					49,751
Increased access for all Americans		4,130					4,130
Reduced pollution effects of transit				435			435
Effective response to emergencies affecting transit					1,706		1,706
Achieved financial performance goals						3,400	3,400
Capital Investment Grants	<u>0</u>	<u>1,620,829</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,620,829</u>
New Starts/Small Starts	<u>0</u>	<u>1,604,621</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,604,621</u>
Reduction in urban congestion		1,604,621					1,604,621
Oversight	<u>0</u>	<u>16,208</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,208</u>
Reduction in urban congestion	0	16,208	0	0	0	0	16,208
Research and University Research Centers	<u>7,585</u>	<u>44,674</u>	<u>700</u>	<u>5,250</u>	<u>800</u>	<u>591</u>	<u>59,600</u>
National Research Programs	<u>7,585</u>	<u>24,074</u>	<u>700</u>	<u>5,250</u>	<u>800</u>	<u>591</u>	<u>39,000</u>
Reduction in transit-related deaths and injuries	7,585						7,585
Reduction in urban congestion		17,024					17,024
Increased access for all Americans		7,050					7,050
Reduced barriers to trade in transit goods and			700				700
Reduced pollution effects of transit				5,250			5,250
Effective response to emergencies affecting transit					800		800
Achieved financial performance goals						400	400
Achieved E-government goals						191	191
Transit Cooperative Research	<u>0</u>	<u>9,300</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,300</u>
Reduction in urban congestion		9,300					9,300
National Transit Institute	<u>0</u>	<u>4,300</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,300</u>
Reduction in urban congestion		4,300					4,300
University Centers Program	<u>0</u>	<u>7,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,000</u>
Reduction in urban congestion		7,000					7,000
TOTALS	<u>13,183</u>	<u>9,602,299</u>	<u>999</u>	<u>439,142</u>	<u>48,316</u>	<u>31,468</u>	<u>10,135,407</u>
FTE (direct funded only)	<u>7</u>	<u>429</u>	<u>2</u>	<u>5</u>	<u>4</u>	<u>70</u>	<u>517</u>

EXHIBIT II-4
FY 2009 BUDGET REQUEST BY APPROPRIATION ACCOUNT
FEDERAL TRANSIT ADMINISTRATION
Budget Authority
(\$000)

ACCOUNTS	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request
1. Administrative Expenses	85,000	89,300	94,413
2. Research and University Research Centers 2/	<u>61,100</u>	<u>65,463</u>	<u>59,700</u>
National Research Program (Section 5314)	40,400	44,763	39,000
Transit Cooperative Research (Section 5313)	9,300	9,300	9,300
National Transit Institute (Section 5315)	4,300	4,300	4,300
University Centers Program (Section 5506)	7,000	7,000	7,000
[Permanent Indefinite Authority]	100	100	100
3. Capital Investment Grants	<u>1,566,000</u>	<u>1,569,092</u>	<u>1,620,829</u>
New Starts (Section 5309)	1,566,000	1,569,092	1,620,829
4. Formula Grants	<u>35,000</u>		
Supplemental for Katrina Recovery P.L. 110-28	35,000 3/	---	---
5. Formula and Bus Grants	<u>8,240,281</u> 5/	<u>7,739,226</u> 4/	<u>8,360,565</u>
Urbanized Area Formula Grants (Section 5307)	4,783,248	4,280,002	4,552,281
Fixed Guideway Modernization (Section 5309)	1,448,000	1,570,000	1,666,500
Bus and Bus Facility Grants (Section 5309)	897,523	823,053	984,000
Over-the-Road Bus Accessibility Program (Section 3038 TEA-21)	7,600	8,300	8,800
Clean Fuels Grant Program (Section 5308)	18,721	49,000	51,500
Planning Programs (Section 5305)	136,986	107,000	113,500
Formula Grants for Special Needs for Elderly Individuals and Individuals with Disabilities (Section 5310)	177,076	127,000	133,500
Formula Grants for Other Than Urbanized Areas (Section 5311)	494,628	506,841	538,084
Job Access and Reverse Commute Formula Program (Section 5316)	144,000	156,000	164,500
New Freedom Program (Section 5317)	81,000	87,500	92,500
National Transit Database (Section 5335)	3,500	3,500	3,500
Alternatives Analysis Program (Section 5339)	25,000	24,691	25,000
Alternative Transportation in Parks and Public Lands (Section 5320)	23,000	25,000	26,900
Rescission of unobligated contract authority		(28,661) 5/	
TOTALS:	<u>9,987,381</u>	<u>9,463,081</u>	<u>10,135,507</u>
[Mandatory]	8,240,381	7,739,326	8,360,665
[Discretionary]	1,747,000	1,723,755	1,774,842

1/ FY 2007 reflects Revised Continuing Appropriations Resolution, 2007 Pub. L. 110-5.

2/ Research and University Research Centers includes \$100,000 in Indefinite Appropriation Authority in FY 2008 and FY 2009 for the International Mass Transportation Program.

3/ Includes 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. Pub. L. 110-28.

4/ FY 2008 reflects enacted obligation limitation and rescission of \$105,005,938 pursuant to Pub. L. 110-161 Div K, Title I, Section 172 and 173.

5/ Rescission of unobligated contract authority pursuant to Pub. L. 110-161.

6/ Includes \$977 million in net "flex fund" transfers from the Federal Highway Administration.

NOTE: Some totals may not add due to rounding.

**EXHIBIT II-5
RESOURCE SUMMARY - FINANCING
FEDERAL TRANSIT ADMINISTRATION
OUTLAYS
(\$000)**

APPROPRIATION TITLE	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate
Administrative Expenses	83,119	92,723	93,902
Formula Grants	2,042,609	1,583,528	958,634
University Transportation Research	14,278	1,299	899
Research and University Research Centers	118,276	67,784	78,792
Job Access and Reverse Commute	68,827	62,133	41,988
Capital Investment Grants	2,662,179	2,717,587	2,605,539
Research, Training and Human Resources	0	315	267
Interstate Transfer Grants - Transit	1,774	1,320	1,075
Washington Metropolitan Area Transit Authority	2,243	206	150
Formula and Bus Grants (TF)	4,193,969	6,237,194	7,225,709
Discretionary Grants (TF)	11,719	24,052	24,052
TOTAL OUTLAYS:	9,198,993	10,788,141	11,031,006
LIQUIDATING CASH APPROPRIATIONS:			
Formula and Bus Grants	4,660,000	6,885,000	8,670,000

EXHIBIT 11-6

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

ADMINISTRATIVE EXPENSES

Baseline Changes

2008 Enacted	2008 PC&B By Program	2008 # FTE Per Program	2008 Contracts Expenses	2008 Pay Raises 3.5%	2009 Pay Raises 2.9%	GSA Rent	WCF Increase/Decrease	Inflation/Deflation	FY 2008 Adjusted Base	Program Increases/Decreases	2009 PC&B Program Increase/Decrease	2009 # FTE Per Program Increase	2009 Contract Expense Program Increases
OPERATIONS:													
PERSONNEL RESOURCES													
Direct FTE													
		517							517	0			517
FINANCIAL RESOURCES													
Personnel Compensation & Benefits	\$63,039	\$63,039	\$122	\$442	\$1,162			35	\$64,643	(\$104)	(\$104)		\$64,539
Travel	1,504							1	1,539	0			1,539
Transportation of Things	31								32	0			32
Rent (GSA and Other)	6,699					449			7,148	0			7,148
Communications & Utilities	48							1	49	(0)			49
Printing	253							6	259	(78)			181
Other Services	3,020							69	3,089	1,011			4,101
Other Services - WCF	2,524					279			2,803	0			2,803
Supplies & Materials	290							7	297	93			390
Equipment	43							1	44	19			63
Subtotal	77,451			442	1,162	449	279	119	79,903	942			80,845
PROGRAMS:													
INFORMATION TECHNOLOGY													
INVESTMENTS													
Communications & Utilities	723							17	740	(17)			723
Other Services	7,106							163	7,269	1,508			8,777
Other Services - WCF	3,725					48			3,773	0			3,773
Equipment	295							7	301	(7)			295
Subtotal	11,849			0	0	0	48	187	12,084	1,485			13,568
TOTAL	\$89,300			\$442	\$1,162	\$449	\$327	\$306	\$91,986	\$2,427			\$94,413

EXHIBIT II-6A

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

	<u>FY 2008 Enacted</u>	<u>FY 2009 Request</u>	<u>Change</u>
<u>DIRECT:</u>			
Administrative Expenses	<u>\$6,249</u>	<u>\$6,576</u>	<u>\$327</u>
SUBTOTAL	6,249	6,576	327
<u>REIMBURSABLE:</u>			
Administrative Expenses	<u>0</u>	<u>0</u>	<u>0</u>
SUBTOTAL	0	0	0
TOTAL WCF	\$6,249	\$6,576	\$327

EXHIBIT II-7

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

	<u>FY 2007 Actual</u>	<u>FY 2008 Enacted</u>	<u>FY 2009 Request</u>
<u>DIRECT:</u>			
Administrative Expenses	511	517	517
Capital Investment Grants	<u>8</u>	<u>9</u>	<u>9</u>
TOTAL FTEs	519	526	526

EXHIBIT II-8

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

	<u>FY 2007 Actual</u>	<u>FY 2008 Enacted</u>	<u>FY 2009 Request</u>
<u>DIRECT:</u>			
Administrative Expenses	539	539	539
Capital Investment Grants	<u>10</u>	<u>10</u>	<u>10</u>
TOTAL POSITIONS	549	549	549

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 made available by this Act under “Federal Transit Administration, Capital investment grants” and 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, [2010]2011, and other recoveries, shall be 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, [2007]2008, 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 a new fixed guideway systems project 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. During fiscal year [2008]2009, 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]100 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, in regard to the Central Link Initial Segment Project, to the extent that Federal funds remain available within the current budget for the project, the Secretary shall, immediately upon the date of enactment of this Act, amend the Full Funding Grant Agreement for said project to allow remaining Federal funds to be used to support completion of the Airport Link extension of said project.]

[SEC. 166. Amounts provided for a high capacity fixed guideway light rail and mass transit project for the City of Albuquerque, New Mexico, in Public Laws 106-69, 106-346 and 107-87 shall be available for bus and bus facilities.]

[SEC. 167. Any unobligated amounts made available for the Commuter Rail, Albuquerque to Santa Fe, New Mexico under the heading “Capital Investment Grants” under the heading “Federal Transit Administration” in title I of division A of the Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006 (Public Law 109-115; 119 Stat. 2418) shall be made available for public transportation buses, equipment and facilities related to such buses, and intermodal terminal in Albuquerque and Santa Fe, New Mexico, subject to the requirements under section 5309 of title 49, United States Code.]

[SEC. 168. Notwithstanding any other provision of law, funds made available for the Las Vegas Resort Corridor Fixed Guideway Project under the Federal Transit Administration Capital Investment Grants Account in any previous Appropriations Act, including Public Laws 108-7, 108-199, 108-447, and any unexpended funds in Federal Transit Administration grant number NV-03-0019 may hereafter be made available until expended to the Regional Transportation Commission of Southern Nevada for bus rapid transit projects and bus and bus-related projects: *Provided*, That funds made available for a project in accordance with this section shall be administered under the terms and conditions set forth in 49 U.S.C. 5307, to the extent applicable.]

[SEC. 169. The second sentence of section 321 of the Department of Transportation and Related Agencies Appropriations Act, 1986 (99 Stat. 1287) is repealed.]

[SEC. 170. None of the funds provided or limited under this Act may be used to issue a final regulation under section 5309 of title 49, United States Code, except that the Federal Transit Administration may continue to review comments received on the proposed rule (Docket No. FTA-2006-25737).]

[SEC. 171. Funds made available to the Putnam County, Florida, for Ride Solutions buses and bus facilities in Public Laws 108-199, 108-447 and 109-115 that remain unobligated may be available to Putnam County under the conditions of 49 U.S.C. 5312 to research, develop, fabricate, test, demonstrate, deploy and evaluate a low floor bus to meet the needs of Ride Solution in particular, and small urban and rural operators in general.]

[SEC. 172. Of the balances available for this fiscal year to carry out 49 U.S.C. 5309(b) left to the discretion of the Secretary of Transportation, \$104,697,038 are rescinded.]

[SEC. 173. Of the balances available for this fiscal year to carry out 49 U.S.C. 5339 left to the discretion of the Secretary of Transportation, \$308,900 are rescinded.]

SEC.165. Project Management Oversight Limitations.
Section 5327(c) of title 49, United States Code, is amended -
(1) by adding at the end of paragraph (1) the following:

“(G) 1 percent of the amounts to carry out section 5314.

(H) 1 percent of the amounts to carry out section 5316.

(I) 1 percent of the amounts to carry out section 5317.”;

(2) in paragraph (2)(B) by striking “sections 5305, 5307, 5309, 5310, 5311, and 5320” and inserting “this chapter”; and

(3) in paragraph (2)(C) by inserting “and enforcement necessary” after “assistance”. (Department of Transportation Appropriations Act, 2008.)

Section 3. Request by Appropriation Account

Federal Funds

ADMINISTRATIVE EXPENSES

For necessary administrative expenses of the Federal Transit Administration's programs authorized by chapter 53 of title 49, United States Code, [\$89,300,000: *Provided*, That of the funds available under this heading, not to exceed \$1,504,000 shall be available for travel and not to exceed \$20,719,000 shall be available for the central account: *Provided further*, That any funding transferred from the central account shall be submitted for approval to the House and Senate Committees on Appropriations: *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] \$94,413,000: *Provided* [further], That of the funds in this Act available for the execution of contracts under section 5327(c) of title 49, United States Code, \$2,000,000 shall be reimbursed to the Department of Transportation's Office of Inspector General for costs associated with audits and investigations of transit-related issues, including reviews of new fixed guideway systems[: *Provided further*, That upon submission to the Congress of the fiscal year 2009 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 2009]. (*Department of Transportation Appropriations Act, 2008.*)

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

Program and Financing (in millions of dollars)

Identification code : 69-1120-0-1-401	2007 Actual	2008 Est.	2009 Est.
Obligations by program activity:			
00.01 Administration expenses	84	89	94
10.00 Total new obligations.....	84	89	94
Budgetary resources available for obligation:			
22.00 New budget authority (gross).....	85	89	94
23.95 Total new obligations.....	-84	-89	-94
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.....	85	89	94
Change in obligated balances:			
72.40 Obligated balance, start of year.....	12	12	9
73.10 Total new obligations.....	84	89	94
73.20 Total outlays (gross).....	-84	-92	-94
74.40 Obligated balance, end of year	12	9	9
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority.....	78	80	85
86.93 Outlays from discretionary balances.....	6	12	9
87.00 Total outlays (gross).....	84	92	94
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	1	...	...
Against gross budget authority only:			
88.96 Portion of offsetting collections (cash) credit to expired accounts	-1	...	...
Net budget authority and outlays:			
89.00 Budget authority.....	85	89	94
90.00 Outlays.....	83	92	94

ADMINISTRATIVE EXPENSES

PROGRAM AND PERFORMANCE

For FY 2009, \$94 million is requested to fund the personnel and support costs associated with the management and direction of FTA programs. FTA remains committed to implementing the President's Management Agenda, to increasing efficiency and productivity within current staffing levels, and to improving the services offered to its customers. FTA has been a leader in the Department in implementing internet access for grantees to the Transportation Electronic Award and Management system. This on-line resource provides information on grant awards and disbursements and allows users to monitor project budgets and milestones, make budget and scope revisions, and other project management activities.

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

Object Classification (in thousands of dollars)

Identification code : 69-1120-0-1-401	2007 Actual	2008 Enacted	2009 Request
Direct obligations:			
Personnel Compensation:			
11.1	45,073	48,335	49,603
11.3	1,086	1,124	1,157
11.5	784	754	703
11.9	46,943	50,213	51,463
12.1	11,519	12,826	13,076
21.0	1,353	1,504	1,539
22.0	106	31	32
23.1	6,053	6,484	6,922
23.2	177	215	226
23.3	703	771	772
24.0	269	253	181
25.2	16,113	16,375	19,454
26.0	275	290	390
31.0	531	338	358
42.0	25	0	0
99.0	84,067	89,300	94,413
99.0	271	500	500
99.9	84,338	89,800	94,913

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

Personnel Summary

Identification code : 69-1120-0-1-401	2007 Actual	2008 Enacted	2009 Request
Direct:			
Total compensable workyears: Full-time equivalent employment.....	511	517	517

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

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

	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request	FY 2008 to FY 2009 Change	FY 2008 to FY 2009 Change, %
Personnel Compensation & Benefits	\$58,462	\$63,039	\$64,539	\$1,500	2.4%
Travel	1,353	1,504	1,539	35	2.3%
Transportation of Things	106	31	32	1	3.2%
Rent (GSA and Other)	6,230	6,699	7,148	449	6.7%
Communications & Utilities	42	48	49	1	2.1%
Printing & Reproduction	269	253	181	- 72	- 28.5%
Other Services	3,545	3,020	4,101	1,081	35.8%
Other Services – WCF	2,337	2,524	2,803	279	11.1%
Supplies & Materials	275	290	390	100	34.5%
Equipment	290	43	63	20	46.5%
Insurance Claims & Indemnities	25	0	0	0	0.0%
Subtotal	72,934	77,451	80,845	3,394	4.4%
<u>IT Investments</u>					
Communications & Utilities	661	723	723	0	0.0%
Other Services	6,968	7,106	8,777	1,671	23.5%
Other Services – WCF	3,263	3,725	3,773	48	1.3%
Equipment	241	295	295	0	0.0%
Subtotal	11,133	11,849	13,568	1,719	14.5%
Total - Administrative Expenses	\$84,067	\$89,300	\$94,413	\$5,113	5.7%
FTEs	511	517	517	0	0.0%

Program and Performance Statement:

The Federal Transit Administration (FTA) requests \$94.4 million in FY 2009, an increase of \$5.1 million over the FY 2008 enacted level. The FY 2009 budget request fully funds salary and benefit costs for 517 full-time equivalent (FTE) work years of effort, contractual services, rent, travel, information technology (IT) requirements, and all other administrative expenses. Seventy-nine percent of the funding requested in FY 2009 covers personnel compensation and benefits, rent, and essential non-IT services billed through the Department's Working Capital Fund (WCF). Another fourteen percent covers FTA's IT investments, including the Transportation Electronic Award and Management (TEAM) grant-making system, the Delphi accounting 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.

ADMINISTRATIVE EXPENSES
SUMMARY ANALYSIS OF CHANGE FROM FY 2008 TO FY 2009
(\$000)

	Change From FY 2008 to 2009	FY 2009 PC&B by Program	FY 2009 FTEs by Program	FY 2009 Contract Expenses	Total
FY 2008 Base (Enacted Level) - Administrative Expenses Appropriations, Obligation Limitations, and Exempt Obligations					\$89,300
Adjustments to Base					
Statutory FY 2008 pay raise of 3.5%	442				
Statutory FY 2009 pay raise of 2.9%	1,162				
GSA and other rent increases	449				
Working Capital Fund increases	327				
Inflationary cost increases	306				
Subtotal, Adjustments to Base					2,686
Program Increases/ Decreases					
Expansion of employee training and developmental program	544				
Development of agency Continuity of Operations Plan	100				
Creation of individual electronic Official Personnel Files	100				
Certification and accreditation of FTA IT systems	275				
Increase to bring supplies and equipment funding in line with historical obligation levels	112				
Other operational cost increases	1,502				
Savings from backfilling employment vacancies at lower grade levels	- 104				
Savings from decreased printing costs related to SAFETEA-LU	- 78				
Savings from decreased local and long distance communication and IT equipment replacement costs	- 24				
Subtotal, Program Increases/ Decreases					2,427
Total FY 2009 Request					\$94,413

Detailed Justification for Personnel Compensation and Benefits:

Personnel Compensation and Benefits

FY 2009 Request: \$64,539,000

Overview:

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.

The entire Federal government faces an impending wave of retirements by highly competent Federal employees, which will create a large-scale strategic human resource planning issue. FTA must plan now to maintain required levels of experience, competencies, and knowledge in its workforce. Succession planning, as well as managing and maintaining adequate institutional knowledge, will be crucial for FTA's ability to carry out its functions during this period of high workforce turnover.

In FY 2001, an internal analysis projected that by FY 2008, 40 percent of FTA's total workforce would be retirement-eligible. Recognizing the potential for a wave of retirements and FTA's vulnerability to losing valuable expertise and institutional knowledge, the agency chose to address the situation by offering voluntary, early retirements and buyouts during FY 2004 and FY 2005. This has given FTA the flexibility to recruit the skill-mix needed to meet the ongoing and future demands of the agency and to improve the impact of its programs and its focus on customers.

To help address its human capital challenges, FTA made the number one goal in its Annual Performance Plan to "Attract and Retain the Best People." Specific action items to address this goal include an aggressive recruitment strategy to market FTA to prospective employees in the Federal government and private sector, to streamline the hiring process, and to target new hires in the core occupations that have shortages. Since FY 2005, FTA has hired 16 Presidential Management Fellows (PMF), six Career Residency Program Participants (a Departmental intern program similar to the Office of Personnel Management's PMF Program), and two Outstanding Scholars for key occupations throughout the agency.

FTA estimates that approximately 35 percent of its current staffing resources are provided by the private sector, primarily in the areas of IT support and application development and project management oversight. It is also estimated that FTA expends approximately 35 FTEs annually on contract management oversight. The accelerated growth in FTA program funding of more than 90 percent over the last decade, as well as large increases in the number and complexity of capital projects, has put a strain on contract management. FTA's FY 2006 Human Capital and Workforce Plans identified

the contract management function as a core competency gap.

The quality and effectiveness of the federal acquisition process depends on the development of a capable and competent workforce. A well-trained acquisition workforce is necessary to ensure that FTA accomplishes its mission goals effectively and responsibly. Program and project managers are accountable for the planning, programming, budgeting, and acquisition of major investments and capital assets. Skilled program and project managers are critical in developing accurate government requirements, defining measurable performance standards, and managing contractor activities to ensure that intended outcomes are achieved.

The Services Acquisition Reform Act of 2003 expanded the definition of acquisition to include functions performed by program and project managers, such as requirements development, performance management, and technical direction. The Office of Federal Procurement Policy built upon this broader definition of the acquisition workforce and required the Federal Acquisition Institute (FAI) to make recommendations for a program and project management certification program. The Department partnered with FAI and other federal agencies across the federal spectrum to recommend the competencies and framework for this program. A draft policy on the Federal Acquisition Certification for Program and Project Managers (FAC-P/PM) was issued by the Office of the Secretary in January 2008.

In response to the PMA initiative of improved financial performance and other Federal financial requirements, FTA has successfully implemented its Managerial Cost Accounting (MCA) system. MCA practices are recognized as a valuable tool in aiding Federal agencies' efforts to demonstrate accountability in financial accounting, budgeting (allocating resources), and managing programs. FTA's MCA system fully cost accounts all administrative and program funds and calculates the percentage distribution by Departmental Strategic Goal for FTA's Statement of Net Cost. Metify software integrates labor-hours with grant obligations reported in the TEAM grant-making system and with administrative obligations reported in the Delphi accounting system. Labor Distribution Reporting (LDR), expenses, and obligations are captured in a report that is distributed on a quarterly basis to managers and other interested agency staff. LDR participation targets set in early FY 2007 were met, with FTA now maintaining employee participation at 85 percent or above.

In FY 2007, FTA launched a long-term continuous improvement process based on the Baldrige National Quality Program. The program is rooted in the beliefs of Malcolm Baldrige, President Reagan's Secretary of Commerce, who advocated an approach to management that he felt would make American industry more competitive in the global economy. His philosophy was to focus on key principles, such as: actively anticipating the market for future products; continuously improving products and services; encouraging organizational and personal learning; using technology and training to improve work processes; and opening the lines of communication, in an effort to promote more effective organizational management. The Baldrige National Quality award is awarded each November to one organization in each category of applicants that

best embodies the Baldrige principles.

FTA's Baldrige process began with a broad profile of the organization and its customers, people, partners, products, markets, mission, vision, and values. This was followed by self-assessments in six areas -- leadership, strategic planning, customer focus, knowledge management, human resources focus, and work processes. The strength and opportunities for improvement identified during the application process provided the foundation for FTA's FY 2008 Annual Performance Plan. Among other improvements to come from the process were FTA's appointment of an information management expert, the training and certification of an FTA employee as a Baldrige Examiner, and the creation of an agency-wide change manager program.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

- To continue to invest in human capital to enable FTA to recruit and retain the talented and diverse workforce essential to achieve Departmental and FTA performance objectives.
- To complete the realignment of office staffing levels, begun in FY 2007, to meet the increased workload demands of the Safe, Affordable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU). Implementing SAFETEA-LU has required over 60 products, including 17 regulations, 19 reports, and 29 program guidance documents. Significant changes to FTA's workforce have taken place during the past year, including shifts to specific job series such as engineers, transportation program specialists, planners, and financial specialists.
- To achieve increased productivity through high employee morale and to implement a continuous improvement plan that includes: an avenue for employee and public suggestions; increased access to senior leadership; 360 degree performance evaluations for managers; increased job rotation opportunities for employees; and performance appraisal training for managers.
- To align employee performance agreements with the Department's Strategic Plan and to make meaningful distinctions in levels of performance, so that superior performance is recognized and rewarded and that action is taken to address poor performance.
- To train and certify, in accordance with the Department's FAC-P/PM policy, all program and project managers assigned to programs and projects considered major acquisitions/ investments.

- To begin using LDR data as an agency management tool. Capturing labor-hours by project tasks will enable FTA management to quantify the amount of resources committed to projects and programs and to determine workload assignments, to make staffing decisions, and to shift program responsibilities.
- To continue training FTA change managers in Baldrige principles and the acquisition of expert support in developing Baldrige reporting practices throughout the agency. In early FY 2008, a winner of the 2007 Baldrige Award in the nonprofit category (Armament Research, Development, and Engineering Center) gave extensive briefings to agency staff on its approach to the process.

FY 2009 Budget Request:

FTA requests \$65 million in FY 2009 to fully fund salaries and benefits, overtime, employee awards, student loan repayments, and relocation expenses related to a permanent change of station for 517 FTEs.

The FY 2009 budget request provides for the personnel necessary to implement the five, core government-wide initiatives included in the President’s Management Agenda (PMA). While addressing the five core PMA initiatives requires sustained effort, significant progress has been made during the past year in certain areas. The actions necessary to “Get to Green” on the PMA scorecard kept by the Office of Management and Budget (OMB) have been integrated into FTA’s Annual Performance Plan and are woven into every facet of its operations. By implementing the PMA, FTA will improve its efficiency and effectiveness by: enabling employees to develop and utilize their full potential; improving financial management systems; thinking creatively and innovatively in finding 21st century solutions to 21st century problems; efficiently managing programs for maximum performance; and ensuring the proper use of public funds.

Explanation of Funding Changes for Personnel Compensation and Benefits:

Personnel Compensation and Benefits	\$1,500,000
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Overview:

An increase of \$1,604,000 is requested in FY 2009 to cover statutory pay raises of 3.5% in FY 2008 and 2.9% in FY 2009. The requested increase is partially offset by \$104,000 in savings from backfilling some vacancies at lower grade levels over the past year.

Detailed Justification for Travel and Transportation of Things:

Travel and Transportation of Things	FY 2009 Request: \$1,571,000
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Overview:

Funding will provide for the travel and transportation costs of government employees and other persons, while in an 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 stations, subject to regulations governing civilian and military travel, and local travel and transportation of persons in or around the official 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 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 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 mandatory triennial reviews of at least 160 grantees nationwide to assess compliance with the Federal and administrative requirements of receiving grant assistance.
- To participate in state grant management forums to discuss federal requirements and changes in Federal policy, particularly as it relates to SAFETEA-LU.
- 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 2009 Budget Request:

FTA requests \$1.6 million to meet the growing requirements of providing technical guidance to and oversight of all aspects of the Federal transit program. 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 is also required: to be on-sight to carry out planning certifications, triennial reviews, and project and financial management oversight; to participate in conferences; and to provide grant-making assistance to over 640 grantees in urban areas and an estimated 1,300 rural transit providers nationwide.

Explanation of Funding Changes for Travel and Transportation of Things:

Travel and Transportation of Things	\$36,000
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An increase of \$36,000 is requested to cover the inflationary costs of air travel and airline fees, as well as the additional costs of higher fuel prices.

Detailed Justification for Rent (GSA and Other):

Rent (GSA and Other)	FY 2009 Request: \$7,148,000
Overview: 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. 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.	
FY 2008 Base: Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.	
Anticipated FY 2008 Accomplishments: FTA will review all expiring lease agreements to identify opportunities for future cost avoidance or savings.	
FY 2009 Budget Request: FTA requests \$7.1 million to fund rent and security payments for the headquarters building, ten regional offices, and all associated metropolitan offices.	

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

Rent (GSA and Other)	\$449,000
Overview: FTA requests an additional \$449,000 to cover increased rental payments charged by GSA and Volpe for the headquarters building and the regional and metropolitan offices. The requested increase will also provide for the additional costs of securing agency buildings and parking facilities, as required by Department of Homeland Security Presidential Directive Twelve (HSPD-12).	

Detailed Justification for Communications and Utilities:

Communications and Utilities	FY 2009 Request: \$49,000
Overview: Funding for communications and utilities will provide for postage, contractual mail and messenger services, and rental of postage meter machines.	

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 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 2009 Budget Request:

FTA requests \$49,000 in FY 2009 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	\$1,000
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The requested increase reflects inflationary costs only.

Detailed Justification for Printing and Reproduction:

Printing and Reproduction	FY 2009 Request: \$181,000
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Overview:

Printing and reproduction costs include printed envelopes and letterhead, photo composition, photography, and related composition and binding operations performed by the Government Printing Office and other agencies.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

FTA will review all printing costs to validate the source of the cost and to identify opportunities for future cost avoidance or improvements in service.

FY 2009 Budget Request:

FTA requests \$181,000 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	- \$72,000
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Printing and reproduction costs have decreased since passage of SAFETEA-LU, as the 17 regulations, 19 reports, and 29 program guidance documents required by the Act have been completed. Furthermore, 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.

Detailed Justification for Other Services:

Other Services **FY2009 Request: \$6,904,000**

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 WCF.

The Department’s WCF facilitates efficiencies 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.

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. New guidance has been issued that 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 performed FMFIA and Office of Management and Budget (OMB) Circular A-123 compliance assessments and documented and tested 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.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 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 2007 financial statements. A clean financial audit is a basic prescription for any well-managed agency.

FY 2009 Budget Request:

The FY 2009 budget requests \$839,000 for training and career enhancement of FTA employees. Another \$941,000 will support essential contractual services, including the Crisis Management Center, the Office of Drug and Alcohol Policy, the Volpe Regional Emergency Transportation program, and the Departmental honors attorney program. A total of \$2,321,000 is requested to provide for: centralized accounting operations provided by the ESC; FMFIA and OMB Circular A-123 support; and the annual audit of FTA financial statements. In addition, \$2,803,000 will be paid through the WCF for centrally managed administrative services, including health services, 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	\$1,360,000
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FTA requests an additional \$544,000 in FY 2009 for employee training and developmental programs. In addition to individual training courses provided by the U.S. Department of Agriculture Graduate School and other sources, requested funding will enable FTA employees to attend various leadership sessions, such as those held at the Federal Executive Institute and the Transit Academy. FTA’s central training program also includes funding for new employee orientation, employee relations, team building, etc.

Another \$100,000 is requested in FY 2009 to develop an agency Continuity of Operations Plan. The requested funding will provide maintenance and configuration support for the backup servers used to sustain FTA’s mission critical financial systems at an alternative processing site.

\$279,000 of the requested increase will provide for a variety of essential services provided through the Department’s WCF. The Federal Funding Accountability and Transparency Act, signed in September 2006, requires Federal agencies to make available to the public information about obligations of Federal funds by contract or grant awards. The Office of the Secretary manages the department-wide Contracts and Grants Information System, which collects and reports this information. Based upon interface requirements to the government-wide system that are currently being developed, it is anticipated that substantial system modifications will be required in FY 2009 which will mandate another certification and accreditation of the system.

The remainder is requested to cover inflationary and operational cost increases for essential FTA services, including ESC accounting and FMFIA support.

Detailed Justification for Supplies and Materials:

Supplies and Materials	FY 2009 Request: \$390,000
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 2008 Base: Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.	
Anticipated FY 2008 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 2009 Budget Request: FTA requests \$390,000 in FY 2009 to cover office supplies for headquarters and the regional offices.	

Explanation of Funding Changes for Supplies and Materials:

Supplies and Materials	\$100,000
Additional funding is requested to bring the FY 2009 budget request in line with historical obligation levels.	

Detailed Justification for Equipment:

Equipment	FY 2009 Request: \$63,000
Overview: Equipment funding will provide for miscellaneous office furniture and fixtures for FTA headquarters and regional staff.	
FY 2008 Base: Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.	
Anticipated FY 2008 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 2009 Budget Request: A total of \$63,000 is requested in FY 2009 to upgrade or replace miscellaneous office equipment in headquarters and the regions.	

Explanation of Funding Changes for Equipment:

Equipment	\$20,000
Additional funding is requested to bring the FY 2009 budget request in line with historical obligation levels.	

Detailed Justification for Information Technology Investments:

Information Technology Investments	FY 2009 Request: \$13,568,000
Overview: <p>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:</p> <ul style="list-style-type: none">• The Government Performance and Results Act of 1993, establishing 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, which 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, which requires agencies to perform their information resources management activities in an efficient, effective, and economical manner;• The Clinger-Cohen Act of 1996, which 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, which 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;• The Electronic Government Act of 2002, which requires agencies to support government-wide electronic government (E-gov) initiatives and to leverage cross-agency opportunities to further E-gov. The Act also requires agencies to establish a process for determining which government information the agency intends to make available and accessible to the public on the Internet and by other means. In addition, the Act requires agencies to conduct and submit to OMB privacy impact	

assessments for all new IT investments administering information in identifiable form collected from or about members of the public; and

- The Federal Records Act, which requires agencies to establish standards and procedures to assure efficient and effective records management. The National Archives and Records Administration (NARA) issues policies and guidance for agencies to meet their records management goals and requirements. NARA also provides policies and guidance for planning and evaluating investments in electronic records management.

In FY 2007, FTA transferred its Electronic Clearing House Operations (ECHO) grants payment database processor to an Oracle environment on a web-accessible platform. This major accomplishment will ensure that financial systems applications and controls operate in a more secure and compliant environment. The agency also completed a certification and accreditation of ECHO in FY 2007 in conjunction with the Department's IT consolidation initiative and relocation of all system applications to the new headquarters building.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

- To evaluate the need to update policies considering reviews, concurrences, and approvals in the TEAM grant-making system. FTA's goal is to reach consistency across its 10 regional offices on the application of requirements. The agency will use guidelines to be issued by the Office of the Secretary on background investigations of contractors and will revise its guidelines accordingly.
- To begin the upgrade of the Delphi accounting system to Oracle 12.FSIO, which will require a total reimplemention 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.
- To increase the number of telecommuters by supplying portable technology equipment at the desktop level. Since these devices will be configured within agency standards, security in FTA's telecommuting program is enhanced.
- To convert remaining paper processes to electronic program interfaces to other financial and reporting systems; to develop the Web-enabled links that secure exchange solicitation documentation, past performance data, cost estimates and

technical proposals with contractors and evaluation data with FTA program personnel. The Prism acquisition system will also be used to track and record purchase card transactions and will enable FTA to acquire goods and services more quickly and efficiently, thereby shortening the acquisition cycle and costs to internal and external customers.

- To increase participation in the Capital Planning Investment Control process. FTA will also provide for role-based training for system owners and administrators.
- To expand the window of operation of the Information Technology Customer Support Center (IT helpdesk) to provide Tier 1 (telephonic) support for those sites that operate in different time zones, allowing for the same level of service for core business hours in each local time zone.
- To use the Executive Information System to provide dynamic information and mission deliverable results pertaining to financial and program areas, which are required by the OMB, the Government Accountability Office, and Congress.
- To take aggressive action to track and reconcile Reimbursable Agreements (RA), to place more emphasis on confirming receiver RA data when applicable, to ensure that discrepancies are resolved, and to correct historical transactions that contain incorrect trading partner codes.

FY 2009 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 government's E-gov initiative serves citizens, businesses, and Federal employees by delivering high quality services more efficiently at a lower price. Instead of using expensive, "stove-piped" operations, agencies should work together to develop common solutions that achieve mission requirements at reduced cost, thereby making resources available for higher priority needs. The Administration's goal is to champion a citizen-centered, E-government that will result in major improvements in the Federal government's value to its citizens. FTA requests a total of \$13.6 million for the following IT investments in FY 2009 to help meet the agency's strategic goals and mission and to support the PMA.

IT Investment (\$000)	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request
Financial Management Systems <i>(Includes Delphi accounting system and upgrade and ECHO grants payment system)</i>	\$2,057	\$2,232	\$2,653
Common Operating Environment/ Infrastructure <i>(Includes desktop, server, directory, and messenger services, all of which are billed through the Department's WCF)</i>	2,511	2,748	2,769
TEAM Grant-Making System	2,561	2,843	3,375
Enterprise Architecture <i>(Includes licensing and support)</i>	187	225	225
Web Applications <i>(Includes Westlaw legal research services and internal applications support)</i>	1,876	1,550	1,802
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>	1,413	1,700	1,727
Technology For Mission Support <i>(Includes IT equipment maintenance, repairs, upgrades, and replacement and certification and accreditation of FTA IT systems)</i>	200	181	456
Prism Acquisition System Support	109	143	190
Human Resources Systems and Support	218	227	372
TOTAL	\$11,133	\$11,849	\$13,568

Explanation of Funding Changes for Information Technology Investments:

Information Technology Investments	\$1,719,000
<p>An increase of \$1.3 million is requested in FY 2009 to provide for the escalating maintenance and support costs of FTA's various IT systems, including the Delphi accounting system, the ECHO payment system, the TEAM grant-making system, and the Prism acquisition system. An additional \$100 thousand is requested to provide for the government-wide initiative to allow each employee to have electronic access to their individual Official Personnel File. Another \$275 thousand is requested to fund the certification and accreditation (C&A) of various FTA IT systems, including the National Transit Database. Requested funding will provide for the updated security requirements for C&A imposed by the Office of the Secretary and OMB. This will ensure that FTA IT systems are in compliance for continued operation. The remainder is requested to cover increasing IT service and support costs billed through the Departmental WCF.</p>	

**FEDERAL TRANSIT ADMINISTRATION
Administrative Expenses By Office**

Office of the Administrator:

	FY 2007 Actual		FY 2008 Enacted		FY 2009 Request	
	\$	FTE	\$	FTE	\$	FTE
Personnel Compensation & Benefits	672,163	5	851,000	6	867,600	6
All Other	58,288	---	48,400	---	50,300	---
Total	730,451	5	899,400	6	917,900	6

The Office of the Administrator provides executive direction for the FTA headquarters and field organizations and is directly accountable to the Secretary and Deputy Secretary for successful mission and program accomplishments.

Office of Chief Counsel:

	FY 2007 Actual		FY 2008 Enacted		FY 2009 Request	
	\$	FTE	\$	FTE	\$	FTE
Personnel Compensation & Benefits	4,135,048	32	4,436,800	30	4,308,100	30
All Other	107,303	---	109,900	---	109,400	---
Total	4,242,351	32	4,546,700	30	4,417,500	30

The Office of the Chief Counsel is responsible for all aspects of the FTA's legal activities, including regulatory and legislative functions. This office reviews internal FTA actions and actions taken by grant applicants and recipients to ensure that various legal requirements governing FTA programs and activities have been met. The Office of Chief Counsel provides legal representation to FTA and the Department in litigation arising in connection with Federal transit programs, in coordination with the Office of General Counsel and the Department of Justice.

Office of Civil Rights:

	FY 2007 Actual		FY 2008 Enacted		FY 2009 Request	
	\$	FTE	\$	FTE	\$	FTE
Personnel Compensation & Benefits	2,783,943	26	3,120,700	26	3,093,800	26
All Other	109,453	---	114,950	---	114,400	---
Total	2,893,396	26	3,235,650	26	3,208,200	26

The Office of Civil Rights ensures implementation of all civil rights programs and equal opportunity precepts with FTA and ensures compliance by recipients of Federal assistance and entities that are subject to FTA regulations. This office provides technical advice and assistance on all civil rights matters including: nondiscrimination in the provision of federally assisted transit services, Environmental Justice (EJ), compliance and enforcement of the Americans with Disabilities Act of 1990, as amended, and equal opportunity of grants recipients.

Office of Communications & Congressional Affairs:

	FY 2007 Actual		FY 2008 Enacted		FY 2009 Request	
	\$	FTE	\$	FTE	\$	FTE
Personnel Compensation & Benefits	1,361,391	13	1,450,200	13	1,628,100	13
All Other	22,962	---	25,350	---	28,100	---
Total	1,384,353	13	1,475,550	13	1,656,200	13

The Office of Communication and Congressional Affairs plans and conducts a comprehensive public information program about FTA programs and policies. This office produces speeches, written materials and other public presentations for FTA officials. The Office of Communication and Congressional Affairs prepares and coordinates official FTA responses to requests made under the Freedom of Information Act. This office serves as FTA's point of contact with the news media, industry analysts, the transit community, Congress, and the American public.

Office of Budget and Policy:

	FY 2007 Actual		FY 2008 Enacted		FY 2009 Request	
	\$	FTE	\$	FTE	\$	FTE
Personnel Compensation & Benefits	6,002,519	54	6,368,900	51	6,252,100	51
All Other	3,765,538	---	4,313,900	---	5,400,150	---
Total	9,768,057	54	10,682,800	51	11,652,250	51

The Office of Budget and Policy implements and manages overall policy, strategic management and fiscal control for FTA. Policy functions include: policy development or review of regulations, procedures and directives to implement policy initiatives and legislative requirements affecting FTA; preparing and coordinating statutory reports to Congress; and conducting and monitoring policy research in support of the agency's mission. Budgeting functions include: developing FTA budgets linked to performance; working with OMB and the Department of Treasury to receive apportionments; and providing budgetary controls and ensuring that funds are expended in accordance with Administration and congressional intent. Strategic planning activities include: development and coordination of the FTA strategic plan; conducting program evaluations; and carrying out the requirements of the Government Performance and Results Act. Financial systems and accounting functions ensure the maintenance of FTA's key financial and payment systems, maintain official financial records and control accounts on FTA grants, and contract and control disbursement

Office of Planning and Environment:

	FY 2007 Actual		FY 2008 Enacted		FY 2009 Request	
	\$	FTE	\$	FTE	\$	FTE
Personnel Compensation & Benefits	3,846,151	32	4,323,100	35	4,565,300	35
All Other	103,255	---	146,500	---	155,000	---
Total	3,949,406	32	4,469,600	35	4,720,300	35

The Office of Planning and Environment administers a national program of metropolitan and statewide planning assistance, providing technical assistance to agencies and directing program implementation. It provides procedural and expert support for environmental and planning requirements of projects in early stages of development, (i.e., alternative analysis and preliminary engineering), works to advance the state-of-the-art in transportation planning, environmental analysis and enhancement, and capital development, and provides executive direction pertaining to planning and environmental issues.

Office of Program Management:

	FY 2007 Actual		FY 2008 Enacted		FY 2009 Request	
	\$	FTE	\$	FTE	\$	FTE
Personnel Compensation & Benefits	7,925,939	71	8,527,400	69	8,704,400	69
All Other	174,937	---	250,350	---	264,700	---
Total	8,100,876	71	8,777,750	69	8,969,100	69

The Office of Program Management fosters responsible stewardship of Federal transit resources by facilitating and monitoring grant delivery. This office's activities include oversight of the agency's grantees and programs. In addition, the Office of Program Management monitors and provides construction management and oversight of new fixed guideway systems and extensions under FTA full funding grant agreements. This office develops and oversees the implementation of safety and security programs for public transportation, including the emergency responsiveness of the transit industry.

Office of Research, Demonstration, and Innovation:

	FY 2007 Actual		FY 2008 Enacted		FY 2009 Request	
	\$	FTE	\$	FTE	\$	FTE
Personnel Compensation & Benefits	4,169,880	37	4,756,200	37	4,744,200	37
All Other	106,473	---	198,350	---	207,200	---
Total	4,276,353	37	4,954,550	37	4,951,400	37

The Office of Research, Demonstration, and Innovation identifies the technology needs of the transit industry, and conducts a program of research, development, demonstration and technology deployment to meet those needs. The research is aimed at developing improved transit vehicles, systems, components and facilities by developing, testing and evaluating innovative technologies. This office provides technical assistance to U.S. transit supply and service industries to enhance the U.S. competitive position in global markets. Functions also include the management of the bus testing facility. This office is also key in collecting, disseminating, and exchanging information and technologies.

Office of Administration:

	FY 2007 Actual		FY 2008 Enacted		FY 2009 Request	
	\$	FTE	\$	FTE	\$	FTE
Personnel Compensation & Benefits	6,488,222	63	6,795,300	69	7,236,600	69
All Other	106,561	---	94,950	---	104,700	---
Total	6,594,783	63	6,890,250	69	7,341,300	69

The Office of Administration provides a comprehensive program of management services and activities to the employees. This office provides administrative and logistical support services, develops and maintains FTA's automated enterprise and information systems, promotes information technologies, and procures and provides maintenance and support for all automated information systems. Procurement administers a comprehensive program to plan, monitor and control the acquisition of material, equipment and services of direct procurement and third party contracting for FTA. Human Resources develops and conducts programs related to staffing, employee management, benefits, discipline and personnel actions.

Regional Offices:

	FY 2007 Actual		FY 2008 Enacted		FY 2009 Request	
	\$	FTE	\$	FTE	\$	FTE
Personnel Compensation & Benefits	20,004,298	177	21,642,400	181	22,286,800	181
All Other	941,712	---	913,350	---	970,050	---
Total	20,946,010	177	22,555,750	181	23,256,850	181

The Regional Offices provide grant assistance, approval, oversight, and project development.

Central Account:

	FY 2007 Actual		FY 2008 Enacted		FY 2009 Request	
	\$	FTE	\$	FTE	\$	FTE
Personnel Compensation & Benefits	1,071,886	---	767,000	---	852,000	---
All Other	20,108,714	---	20,045,000	---	22,470,000	---
Total	21,180,600	---	20,812,000	---	23,322,000	---

The Central Account provides for agency-wide operations, rent payments for space, information technology investments, and Departmental Working Capital Fund costs.

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

Program and Financing (in millions of dollars)

		2007	2008	2009
Identification code : 69-1129-0-1-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Urban Formula Capital.....	277	148	148
00.02	Elderly and Disabled.....	...	1	...
00.03	Nonurban Formula.....	27	3	3
00.04	Over-the-Road Bus	1	2	...
00.05	Emergency Response Funds	2	1	...
00.06	Hurricane Katrina and Rita Sup	26	9	...
09.00	Hurricane Katrina transportation	4	...	...

10.00	Total new obligations.....	337	164	151
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	600	344	180
22.00	New budget authority (gross).....	36	...	...
22.10	Resources available from recoveries of prior year obligations.....	45	...	...

23.90	Total budgetary resources available for obligation.....	681	344	180
23.95	Total new obligations.....	-337	-164	-151

24.40	Unobligated balance carried forward, end of year.....	344	180	29
New budget authority (gross), detail:				
Discretionary				
40.00	Appropriation.....	35	...	...
Spending authority from offsetting collections:				
58.00	Offsetting collections (cash).....	44	...	...
58.10	Change in uncollected customer payments from Federal sources (unexpired)	-43	...	...

58.90	Spending authority from offsetting collections (total discretionary).....	1	...	...

70.00	Total new budget authority (gross)	36	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year.....	4,796	3,044	1,624
73.10	Total new obligations.....	337	164	151
73.20	Total outlays (gross).....	-2,087	-1,584	-959
73.45	Recoveries of prior year obligations.....	-45	...	...
74.00	Change in uncollected customer payments from Federal sources (unexpired)	43

74.40	Obligated balance, end of year.....	3,044	1,624	816

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**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	2007 Actual	2008 Est.	2009 Est.
Outlays (gross), detail:			
86.90			
	1	...	...
86.93	2,086	1,584	959
	-----	-----	-----
87.00	2,087	1,584	959
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00	44	...	...
Against gross budget authority only:			
88.95			
	-43	...	...
Net budget authority and outlays:			
89.00	35	...	...
90.00	2,043	1,584	959

FORMULA GRANTS

PROGRAM AND PERFORMANCE

In 2009, funds requested for all transit formula grant programs are included in the Formula and Bus Grants account and funded exclusively by the Highway Trust Fund. No new budget authority is requested in this account for 2009.

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

Object Classification (in thousands of dollars)

			2007	2008	2009
Identification code : 69-1129-0-1-401			Actual	Est.	Est.
Direct obligations:					
25.2	01	Other services.....	2,204	3,024	3,024
41.0	01	Grants, subsidies and contributions.....	330,593	160,543	148,189
99.0		Subtotal, obligations, Direct obligations.....	332,797	163,567	151,213
Reimbursable obligations:					
99.0	01	Other services.....	4,435	...	...
99.0		Subtotal, obligations, Reimbursable obligations.....	4,435	...	...
99.9		Total new obligations.....	337,232	163,567	151,213

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

Program and Financing (in millions of dollars)

		2007	2008	2009
Identification code : 69-1136-0-1-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	University Transportation Research	8	...	...
10.00	Total new obligations (object class 41.0).....	8	...	...
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year.....	8	...	...
23.95	Total new obligations.....	-8	...	...
24.40	Unobligated balance carried forward, end of year.....	...	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year.....	10	4	3
73.10	Total new obligations.....	8	...	...
73.20	Total outlays (gross).....	-14	-1	-1
74.40	Obligated balance, end of year.....	4	3	2
Outlays (gross), detail:				
86.93	Outlays from discretionary balances.....	14	1	1
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	14	1	1

UNIVERSITY TRANSPORTATION RESEARCH
PROGRAM AND PERFORMANCE

In 2009, funding for University Transportation Research programs will be included in the Research and University Research Centers account. No new budget authority is requested in this account for 2009.

RESEARCH AND UNIVERSITY RESEARCH CENTERS

For necessary expenses to carry out 49 U.S.C. 5306, 5312-5315, 5322, and 5506, [\$65,362,900] \$59,600,000, to remain available until expended: *Provided*, That \$9,300,000 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 [\$44,762,900] \$39,000,000 is available to carry out national research programs under sections 5312, 5313, 5314, and 5322 of title 49, United States Code. (*Department of Transportation Appropriations Act, 2008.*)

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

Program and Financing (in millions of dollars)

Identification code : 69-1137-0-1-401		2007	2008	2009
		Actual	Est.	Est.
Obligations by program activity:				
00.01	Research and University Research Centers.....	60	46	40
09.01	Reimbursable program.....	6	29	28
10.00	Total new obligations.....	66	75	68
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	45	65	75
22.00	New budget authority (gross).....	84	85	80
22.10	Resources available from recoveries of prior year obligations.....	2	...	...
23.90	Total budgetary resources available for obligation.....	131	150	155
23.95	Total new obligations.....	-66	-75	-68
24.40	Unobligated balance carried forward, end of year	65	75	87
New budget authority (gross), detail:				
Discretionary				
40.00	Appropriation.....	61	65	60
Spending authority from offsetting collections:				
58.00	Offsetting collections (cash).....	24	20	20
58.10	Change in uncollected customer payments from Federal sources (unexpired).....	-1	...	...
58.90	Spending authority from offsetting collections (total discretionary).....	23	20	20
70.00	Total new budget authority (gross).....	84	85	80
Change in obligated balances:				
72.40	Obligated balance, start of year.....	170	93	80
73.10	Total new obligations.....	66	75	68
73.20	Total outlays (gross).....	-142	-88	-99
73.45	Recoveries of prior year obligations.....	...	...	...
74.00	Change in uncollected customer payments from Federal sources (unexpired).....	1
74.40	Obligated balance, end of year.....	93	80	49

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

Program and Financing (in millions of dollars)

(Continued from previous page)

		2007	2008	2009
Identification code : 69-1137-0-1-401		Actual	Est.	Est.
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	9	33	32
86.93	Outlays from discretionary balances.....	133	55	67

87.00	Total outlays (gross).....	142	88	99
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from Federal sources.....	24	20	20
88.95	Change in uncollected customer payments from Federal sources (unexpired).....	-1	...	...
Net budget authority and outlays:				
89.00	Budget authority.....	61	65	60
90.00	Outlays.....	118	68	79

RESEARCH AND UNIVERSITY RESEARCH CENTERS

PROGRAM AND PERFORMANCE

In 2009, the National Research and Technology Program, Transit Cooperative Research Program, University Centers Program, and the National Transit Institute are funded in the Research and University Research Centers account.

National Research and Technology Program funding will be used for FTA's safety and mobility activities. Under the national component of the program, FTA advances the research, development, and deployment of transportation methods and technologies that address issues such as accessibility for elderly, low income, and disabled individuals; air quality; traffic congestion; and transit capacity and operational improvements.

The Transit Cooperative Research Program 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.

Funding for the University Centers Program will provide continued support for research, education, and technology transfer activities aimed at addressing regional and national transportation problems.

The National Transit Institute exists to develop and provide transit industry employee education programs to improve transit workforce performance, enhance security incident response capability, and to implement strategies that increase ridership.

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

Object Classification (in thousands of dollars)

		2007	2008	2009
Identification code : 69-1137-0-1-401		Actual	Est.	Est.
Direct obligations:				
25.5	Research and development contracts	1,357	1,031	897
41.0	Grants, subsidies, and contributions.....	59,142	44,948	39,093

99.0	Direct obligations.....	60,499	45,979	39,990
99.0	Reimbursable obligations.....	5,973	29,000	28,000

99.9	Total new obligations.....	66,472	74,979	67,990

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**RESEARCH AND UNIVERSITY RESEARCH CENTERS
Appropriation, Obligation Limitation, Exempt Obligations
(\$000)**

	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request	FY 2008 to FY 2009 Change	FY 2008 to FY 2009 Change, %
National Research & Technology	40,400	44,763	39,000	-5,763	-13%
Transit Cooperative Research	9,300	9,300	9,300	0	0
National Transit Institute	4,300	4,300	4,300	0	0
University Transportation Centers	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>0</u>	<u>0</u>
Total – Research and University Research	61,000	65,363	59,600	-5,763	-9%

Program and Performance Statement:

In FY 2009, the National Research and Technology Program, Transit Cooperative Research Program, University Centers Program and the National Transit Institute are funded in the Research and University Research Centers account.

National Research and Technology Program funding will be used for FTA discretionary research activities to further DOT strategic goals and accomplish FTA’s research and technology program mission – to deliver solutions that improve public transportation. Under the national component of the program, FTA advances the research, development, and deployment of transportation methods and technologies that address issues such as accessibility for elderly, low income, and disabled individuals; air quality and environmental stewardship; traffic congestion; and transit capacity and operational improvements.

Transit Cooperative Research programs fund 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.

Funding for the University Centers Program will provide continued support for research, education, and technology transfer activities aimed at addressing regional and national transportation problems.

The National Transit Institute exists to develop and provide transit industry employee education programs to improve transit workforce performance, enhance security incident response capability, and to implement strategies that increase ridership

NATIONAL RESEARCH AND UNIVERSITY RESEARCH CENTERS

**Summary Analysis of Change from FY 2008 to FY 2009
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)**

Item	Change from FY 2008 to FY 2009	FY 2009 PC&B by Program	FY 2009 FTEs by Program	FY 2009 Contract Expenses	Total
FY 2008 Base					65,363
Research Appropriations, Obligations, Limitations, and Exempt Obligations					
Adjustment to Base					
National Research & Technology	(5,763)				
Transit Cooperative Research	0				
National Transit Institute	0				
University Transportation Research	0				
Subtotal, Adjustments to Base					(5,763)
New or Expanded Programs					
Subtotal, New or Expanded Program Increases/Decreases					
Total FY 2009 Request					59,600

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

Program Areas/Programs	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request	FY 2008 to FY 2009 Change	FY 2008 to FY 2009 Change, %
1. Increase Transit Ridership	12,210	12,181	8,340	(3,841)	(32%)
2. Improve Capital & Operating Efficiencies	15,295	17,530	14,085	(3,445)	(20%)
3. Improve Safety & Emergency Preparedness	7,175	7,250	8,385	1,135	16%
4. Protect the Environment & Promote Energy Independence	2,912	5,132	5,250	118	2%
5. Provide Transit Research Leadership	2,808	2,670	2,940	270	10%
Subtotal, National Research & Technology¹	40,400	44,763	39,000	(5,763)	(13%)

¹Note: Does not include an estimated \$100,000 in indefinite appropriations for the IMTP

Detailed Justification for National Research and Technology

National Research & Technology

FY 2009 Request: \$39,000,000

Through funding of the National Research and Technology program, FTA will deliver improvements for public transportation. The program supports research unlikely to be undertaken by the private sector, including studies on policy issues, operational efficiency, and travel behavior, as well as long-term, high-risk, high potential payoff investigations of new technologies.

Transit research has a broad audience and diverse stakeholders each 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 many challenges facing the transit industry. To make certain that the program is adequately focused on the challenges of the transit industry, FTA is supporting the National Academy of Sciences' Transportation Research Board's Transit Research Analysis Committee. Collaboration with the Transit Research Board and DOT's Research and Innovative Technology Administration ensures that FTA is addressing the Inspector General's Management Challenge to strengthen coordination of research, development, and technology projects.

FTA's PART score confirms that its efforts have been successful. The research program received a perfect score on the section of the PART that addresses program purpose and design, verifying that the program's purpose is clear and well targeted to meet industry needs without being duplicative of other efforts.

PART Results:

As part of the FY 2008 budget process, the research program has undergone an evaluation using the OMB Program Assessment Rating Tool (PART). The research program received an effective rating with a score of 95 percent. Effective is the highest possible rating, and one that is shared by only 17 percent of the programs assessed government wide.

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

FTA's National Research and Technology Program strategic goals are to:

- Increase transit ridership
- Improve capital and operating efficiencies
- Improve safety and emergency preparedness
- Protect the environment and promote energy independence
- Provide transit research leadership

National Research and Technology Program goals align with Department of Transportation strategic goals and objectives as follows:

FTA Strategic Research Goals	DOT Strategic Goals
Increase Transit Ridership	Reduced Congestion: Reduce congestion and other impediments to using the Nation's transportation system.
Improve Capital and Operating Efficiencies	
Improve Safety and Emergency Preparedness	Global Connectivity: Facilitate an international transportation system that promotes economic growth and development.
	Safety: Enhance public health and safety by working toward the elimination of transportation-related deaths and injuries.
Protect the Environment and Promote Energy Independence	Security, Preparedness and Response: Balance transportation security requirements with the safety, mobility, and economic needs of the Nation and be prepared to respond to emergencies that affect the viability of the transportation sector.
	Environmental Stewardship: Promote transportation solutions that enhance communities and protect the natural and built environment.
Provide Transit Research Leadership	Organizational Excellence: Advance the Department's ability to manage for results and achieve the goals of the President's Management Agenda.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

The following major anticipated accomplishments in FY 2008 support ongoing program efforts in FY 2009.

Increase Transit Ridership

- FTA will demonstrate methods to increase transit ridership and reduce congestion, contributing towards FTA's goal to increase ridership by 1.5 percent in FY 2008. FTA research programs have been a cause of success in this area, and during FY 2007 transit ridership increased by 2.0 percent over the previous year.
- FTA will enhance service and simplify access to transportation for older adults, people with disabilities, and individuals with lower incomes by providing both

technical assistance and coordination grants to the states. Through the United We Ride administered projects, FTA has increased project partner investment in program success. In New York State, for example, the Albany pilot is building the essential partnerships and policy agreements to coordinate transportation services effectively.

Improve Capital and Operating Efficiencies

- FTA will reduce capital and operating costs by targeting non-critical cost-driving elements for elimination.
- FTA will analyze major issues within the non-rail vehicle market, the type of vehicle chosen and the choice of components for each vehicle type. The study will examine the characteristics of bus services that drive purchasing decisions in these two issue areas.
- FTA will analyze Joint Development and formulate Transit Oriented Development performance measures.
- FTA will continue to provide increased trade support to the domestic transit industry through trade missions, reverse trade missions, market research, and other trade related activities.

Improve Safety & Emergency Preparedness

- FTA will provide training for approximately 6,000 professionals through the Transportation Safety Institute training program. FTA will continue to update and revise key training courses on subjects such as accident prevention and investigation, emergency management, industrial safety, bus operator safety, and fatigue awareness.
- FTA will provide assistance to grantees and states to implement Federal regulatory requirements for drug and alcohol testing of safety sensitive employees.

Protect the Environment and Promote Energy Independence

- FTA will continue to investigate effective adaptations of hybrid and clean fuel technologies for bus fleets.
- FTA will investigate methods and technologies to reduce the energy consumption of rail systems, including advancements in wayside energy storage substations, methods to decrease peak power demand, and regenerated energy technology.

Promote Transit Leadership

- FTA will continue to support the efforts of the National Academy of Sciences to analyze transit research through its Transit Research Analysis Committee (TRAC).
- FTA will report transit's condition, performance, and investment needs.

FY 2009 Budget Request:

FTA is requesting \$39 million for National Research and Technology Programs to support activities designed to develop solutions that improve public transportation. As the Federal agency responsible for transit, FTA commands a leadership role in supporting research intended to identify different strategies to increase ridership, improve capital and operating efficiencies, improve safety and emergency preparedness, and protect the environment and promote energy independence. Requested project areas include the following:

Increase Transit Ridership – \$8,340 thousand

Program Areas/Programs	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request	FY 2008 to FY 2009 Change	FY 2008 to FY 2009 Change, %
Increase Transit Ridership	\$12,210	\$12,181	\$8,340	(\$3,841)	(32%)

Transit plays a major role in achieving important social and economic goals including conveying people to work, reducing congestion, mitigating air pollution, improving the mobility of elderly individuals and persons with disabilities, and supporting efficient urban and rural development. For this reason, FTA’s Strategic Transit Research Plan identifies increasing transit ridership as a goal of FTA research.

Americans took 9.3 billion trips using public transportation during 2006, which represents a significant increase over trips taken during 2005. Public transportation ridership is up by over 25 percent since 1995, and FTA research is contributing to this resurgence by designing research projects to accomplish strategic objectives to increase transit ridership.

FY 2009 funds will promote the following research objectives identified by FTA in partnership with the transit industry:

Objective: Identify best practices and technologies to increase transit ridership. Pinpoint barriers to the adoption of ridership enhancement techniques and solutions to overcome those barriers.

Demonstrations and Evaluations of Methods, Techniques, and Technologies to Increase Ridership – These demonstrations will analyze and undertake research into methods, techniques, and technologies to increase transit ridership. Findings from the planned demonstrations will provide the information required for transit agencies around the country to implement programs, techniques, and initiatives proven to affect rider behavior and ridership.

Analysis of Data from the National Transit Database – This project funds analysis of data collected by the National Transit Database (NTD). The National Transit Database is FTA’s primary source of information on the transit industry.

Through the NTD, FTA collects data on sources of transit revenue, transit fuel consumption, the amount of transit service supplied, transit related accidents, and information on rural transit. Analysis of this data is an essential component in FTA's provision of user-friendly, transparent, and accessible information for FTA customers and stakeholders.

Objective: Improve transportation solutions for specialized populations.

Accessibility for Persons with Disabilities: Project ACTION – Project ACTION addresses on-going issues of equal accessibility in transit. Program activities are intended to facilitate cooperation between the transit industry and the disability community in ensuring accessible public transportation systems and compliance with the provision of the American with Disabilities Act.

United We Ride Coordinating Council and Mobility Management Implementation Strategies – This project will increase access for all Americans by providing strategic external support for priority research projects and implementing mobility management strategies. Mobility management activities are short-term planning and management activities designed to coordinate public transit and other transportation services.

United We Ride State Coordinated Grants – State Coordinated Grants provide funding for states to address critical gaps in human service transportation, while retaining discretion to target those projects that will best meet local needs. This improves transportation services for people with disabilities, people with low incomes, and older adults through coordinated transportation services.

In FY 2009, FTA will:

- Make available information for FTA's customers and stakeholders through its research and analysis projects.
- Apply research and demonstration programs to better integrate accessible transportation options into communities through training, technical assistance, program development and outreach activities.
- Provide mobility and independence for elderly and disabled Americans who do not have access to transportation service.
- Coordinate human services transportation through the United We Ride State Administered Grants program, enhancing efficiency and increasing access for underserved populations across the country.

Improve Capital and Operating Efficiencies -- \$14,085 thousand

Program Areas/Programs	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request	FY 2008 to FY 2009 Change	FY 2008 to FY 2009 Change, %
Improve Capital & Operating Efficiencies	\$15,295	\$17,530	\$14,085	(\$3,445)	(20%)

FTA promotes the importance of making capital and operating investments that represent the optimal use of public funds. With local governments facing increasing pressure to limit transit operating costs, investments must be in projects that are the most cost effective and financially viable. Once projects are underway, they must stay on budget and on schedule.

FTA’s goal to Improve Capital and Operating Efficiencies directly supports the priority of system performance and reliability. Research to develop new technologies for bus, bus rapid transit, and rail will improve system performance. Research and demonstration projects FTA sponsors into operational improvements will enhance the reliability of the public transportation system. FTA’s communication-based signal technology pilot program is one example of how FTA will share best practices in signal technology for rail vehicles to improve system performance and reliability by reducing the amount of time people have to wait for the train.

In partnership with the transit industry, FTA has identified the following research objectives to improve capital and operating efficiencies:

Objective: Identify practices and technologies to control capital and operating costs.

Bus and Bus Rapid Transit Programs – FTA will investigate methods and technologies to improve bus and bus rapid transit. The advanced small transit vehicle development project will improve small transit vehicles to meet the needs of urban and rural providers. The development of a cost benefit model to evaluate and quantify benefits derived from ITS technologies, clean fuels, and BRT service will assist transit agencies in making cost effective decisions.

Benchmarking – This project will improve nationwide transit system performance through benchmarking. FTA will identify critical areas of success for public transportation systems and collect uniform data on transit industry performance in order to define key, objective measures of success.

Development of Transit Standards – This project 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. The standards will be based upon a business case analysis. Potential standards include communications based train control, automatic vehicle location, vehicle monitoring and diagnostics, passenger information systems, and event recorders.

Transit Oriented Development, Mixed-Use Housing, and Joint Development – This project supports dissemination of research and best practices related to transit oriented development, mixed-use housing, and joint development. Funding supports a database that includes performance criteria, impact on ridership, the nature of the development agreement, and the amount of return to transit. The goal is to maximize both public and private sector investment in transit projects while controlling capital costs.

Objective: Develop methods and technologies to improve transit operational efficiency.

Rail Programs – FTA will improve rail operations through exploration of innovative concepts, new technologies, and best practices to increase efficiency. Projects that have the potential to produce leapfrog technologies and lead to significant advancements in the transit industry will be sponsored.

Transit Operation Improvements - This project will undertake research to investigate methods and technologies to improve transit system operations. The Vehicle Assist and Automation project, for example, will allow precise operations of transit used in narrow lanes, and support precision docking, vehicle guidance, and automated operations.

Improve New Starts Travel Forecasts – This project will enhance the alternatives analysis process by focusing research on mode specific constants, transit path building methods, trip distribution steps, and travel demand forecasting. The outputs will be improved New Starts and Small Starts travel demand forecasting practices that will help to ensure that Federal investment is in those projects that will yield the greatest benefit.

Major Capital Projects Roundtables – The Major Capital Projects Roundtables are three-day, semi-annual meetings held in cities with on-going major capital projects in significant stages of construction. Roundtables provide immediate communication on the latest transit engineering, contracting, and construction techniques to implement major capital projects effectively and efficiently. The roundtables facilitate communication between FTA and transit agencies with major ongoing capital projects to improve operating efficiency.

In FY 2009, FTA will:

- Develop a cost benefit model that will reduce both capital and operating costs of transit agencies through the quantification of potential benefits.
- Continue support of voluntary industry standards that will improve the design, performance, safety, and reliability of transit systems and reduce risk for the supply industry.
- Analyze, develop, and share data on best practices and technologies to improve the operational efficiency of rail projects.

Improve Safety and Emergency Preparedness – \$8,325 thousand

Program Areas/Programs	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request	FY 2008 to FY 2009 Change	FY 2008 to FY 2009 Change, %
Improve Safety & Emergency Preparedness	\$7,175	\$7,250	\$8,385	\$1,135	16%

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 remains a continuing concern of transit operators, and attention is given to issues such as driver training, driver drug and alcohol testing, and vehicle design.

FTA’s research projects investigate both the causal factors and risks in accidents and methods to mitigate the consequences of transit accidents. FTA research funds assist 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 research on detection of security threats. FTA plays an important role in bringing better methods to the attention of transit operators.

FY 2009 funds will promote the following objectives supporting safety and emergency preparedness in public transportation systems:

Objective: Identify solutions to reduce the number of transit related deaths and injuries and increase emergency preparedness.

Bus Rapid Transit Safety Issues – FTA will identify and implement strategies to improve safety for passengers, employees, and others who interact with bus rapid transit (BRT). Research will be conducted on issues such as the design of traffic

signal preemption systems for prioritizing bus movements, application of ITS technologies, running way guidance, vehicle configuration, and passenger safety at BRT stops.

Drug and Alcohol Testing (DAMIS) - FTA requires grantees to submit annual reports on their drug and alcohol testing programs. The central focus of DAMIS is the annual data collection and reporting processes of all FTA grantees and their contractors nationally. DAMIS also supports ad hoc inquiries, provides information for the strategic planning processes, supports Drug and Alcohol compliance software enhancements, supports the creation, printing, and distribution of Drug and Alcohol documents, and supports administrative functions related to the Substance Abuse Seminars.

FTA Emergency Contact Database – FTA maintains a database in order to communicate with key transit agency contacts during a safety or security incident. FTA will continue to expand and enhance the database to include all transit agencies, and convert the database to a web-based design that will offer greater accessibility to communication, information, and events for transit safety and security directors. Transit agencies will have current information and will be able to update their systems data in real-time.

Safety and Emergency Preparedness Technology – Research and demonstration of technologies and practices that promise substantial improvement in transit safety and emergency preparedness will be conducted. Potential projects could include:

1. Application of geographic information systems (GIS) to transit infrastructure assets as an emergency management tool.
2. Developing guidance documents and standards for fire analysis of rail transit vehicles and modeling railcars and their operating environment.
3. Strategies for hardening communications and control systems to make them less vulnerable to malicious or accidental disruption.
4. Standardized, efficient, on-scene accident data collection to improve causal analysis, accident prevention, and mitigation of injuries and damage.

Transit System Safety Program Guidance, Information Sharing, and Awareness Outreach – FTA will conduct research and develop 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. Light rail safety material will be developed. 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 have access to reference documents, recommended safety and security procedures, handbooks, and planning guidance.

In FY 2009, FTA will:

- Develop guidance and technical assistance materials to support the implementation of safety strategies in all phases of BRT development and operations.
- Provide training for transit professionals in subjects such as accident prevention and investigation, emergency management, industrial safety, bus operator safety, and fatigue awareness.
- Ensure transit agencies meet future regulatory requirements established by the Transportation Security Administration (TSA).

Protect the Environment and Promote Energy Independence – \$5,250 thousand

Program Areas/Programs	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request	FY 2008 to FY 2009 Change	FY 2008 to FY 2009 Change, %
Protect the Environment & Promote Energy Independence	\$2,912	\$5,132	\$5,250	\$118	2%

Americans drive their 200 million cars and light trucks more than 2 trillion miles a year and emit more than half the air pollution nationwide. Transit has the potential to reduce pollution significantly without imposing more taxes or more government regulations. An APTA study has found that public transportation in the United States reduced carbon dioxide emissions by 6.9 million metric tons in 2005. Energy savings are just as important.

Currently, 43 percent of America’s energy is used for transportation. In order to decrease gasoline consumption and support the President’s “Twenty in Ten” plan, FTA will fund targeted research on fuel cell bus technology and hybrid-electric buses.

FTA has played an instrumental role in spurring the adoption of natural gas buses into routine revenue service operations. It is playing a similar role in helping to accelerate the adoption of electric drive technologies – battery electric, hybrid electric, and hydrogen fuel cell buses.

Through the National Fuel Cell Bus Technology Development Program established in SAFETEA-LU, FTA will support research and demonstration projects at up to three private sector not-for-profit organizations. The program will facilitate the development of commercially viable fuel cell bus technologies and related infrastructure for application in transit revenue service operations.

FTA has identified the following research objectives to protect the environment and promote energy independence:

Objective: Facilitate development of technologies to improve energy efficiency and reduce emissions from transit vehicles.

Clean Fuels and Electric Drive Bus Deployment (Hybrid Electric) Program – FTA will guide research efforts to commercialize clean propulsion – electric, hybrid-electric, and fuel cells – for transit buses. Outputs could include:

1. Commercialization of plug-in hybrid transit vehicles.
2. Advanced energy storage research and development.
3. Development and demonstration of effective power management for vehicle accessories.
4. An analysis and comparison of diesel vs. hybrid-electric bus rapid transit vehicles.
5. An analysis of the transit industry's role in carbon trading.
6. Development of a hydraulic transit bus.

Environmental Research Support for Transit Activities – FTA will promote the use of Environmental Management Systems and expand the scope of transportation planning by fully integrating land use, economic development, and environmental quality considerations into the planning process.

Rail Energy Conservation Improvements - This project will research technologies and methods to reduce energy consumption of rail systems. Rail systems consume considerable energy resources (either through the electric grid or through fuels) that are a substantial proportion of operating costs. Research will examine wayside energy storage substations, regulation, and reduction of peak power demand, use of regenerated energy, and reducing voltage.

Support for the DOT Center for Climate Change – FTA's supports the DOT Center for Climate Change and Environmental Modeling. The Center creates comprehensive and multi-modal approaches to reduce transportation-related greenhouse gases and to mitigate the effects of global climate change on the transportation network.

In FY 2009, FTA will:

- Lead research efforts to commercialize clean propulsion.
- Provide the research necessary to develop a hydraulic hybrid transit bus.
- Develop and demonstrate effective power management for vehicle accessories.
- Startup 4-5 “working laboratory” case studies of expedited comprehensive metropolitan transportation planning practice for monitoring and reference by Federal, state, and local agencies.

Provide Transit Research Leadership – \$2,940 thousand

Program Areas/Programs	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request	FY 2008 to FY 2009 Change	FY 2008 to FY 2009 Change, %
Provide Transit Research Leadership	\$2,808	\$2,670	\$2,940	\$270	10%

FTA’s research programs are part of a broader transit industry research effort. FTA, therefore, seeks to provide transit research leadership by linking all transit research efforts across the industry. This will assist in identifying research areas of common interest and partnership opportunities to avoid duplication of effort.

FTA’s approach to conducting and undertaking transit research is focused on meeting the Office of Management and Budget’s (OMB) Research & Development Investment Criteria. This strategic research area also contains funding for projects that directly support the President’s goal of utilizing technology to improve how the Federal Government serves the public.

In partnership with the transit industry, FTA has identified the following programs to provide transit research leadership:

Transit Research Analysis Committee (TRAC) – The TRAC is responsible for making recommendations regarding the Federal role in transit research relative to the activities of others (private sector, universities, states, etc.). The Committee also recommends high priority opportunities for the FTA research agenda with a focused set of theme areas based on industry needs and FTA’s strategic goals and core accountabilities.

Transportation Research Board Support – FTA will support the core transit activities of the Transportation Research Board (TRB). This includes the development of transit panels at the TRB annual meeting, TRB professional committee activities, and ongoing coordination and research dissemination through the Transportation Research Information Service (TRIS). FTA disseminates the results of research and demonstration activities through the sponsorship of transit-related workshops and special sessions.

Expanded E-Government – FTA contributes towards the E-Gov Initiative managed by the Office of Management and Budget. This initiative will consolidate IT projects at the highest level possible, in accordance with the President’s Management Agenda.

Transit Conditions & Performance Report – Biannually, the Secretary submits to Congress a report on the condition, performance, and capital investment requirements of the nation’s highways, bridges, and transit systems. Through this work, FTA enhances the accuracy of transit data and funding projections, and measures outcome goals more precisely.

Program Evaluation: Job Access and Reverse Commute, New Freedom, and Elderly Individuals and Individuals with Disabilities – This project will support the evaluation of the Job Access and Reverse Commute program, the New Freedom program, and the Elderly Individuals and Individuals with Disabilities program, analyzing data collected through the Transportation Electronic Award Management (TEAM) reporting system. The project will ensure that grant programs are meeting their objectives.

Technical Support for the Research Program – This project will include Research Program tracking comprising evaluation of the overall program, individual project evaluations, external peer reviews, and reporting results. This enhances FTA efforts to ensure research projects meet R&D Investment Criteria.

In FY 2009, FTA will do the following:

- Support efforts to increase electronic public access to Federal Government data, information on Federal grants, emergency preparedness, and acquisitions of products and services.
- Conduct the necessary data collection and research to report on the conditions and performance of transit in the U.S., and short- and long-term transit investment needs.

Explanation of Funding Changes for National Research & Technology Programs

National Research & Technology	– \$5,763,000
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Overview:

FTA is currently evaluating the effectiveness of different strategies to reduce congestion, increase transit ridership, and improve system safety, performance, and reliability. As the most effective measures are identified, transit agencies are provided with technical assistance to facilitate the utilization of new service methods and technologies that improve operations. The intended result of such efforts is the deployment of technological innovations to improve personal mobility, minimize automobile fuel consumption and air pollution, increase ridership, and enhance the quality of life in all communities.

For FY 2009, FTA requests \$39 million in support of the National Research and Technology Program. This is a \$5.8 million decrease in funding compared to the amount appropriated in the Consolidated Appropriations Act, 2008.

Increase Transit Ridership	- \$3,841,000
<p>The decrease in this research area is largely due to the elimination of Congestion Initiative Expert Support projects. While FTA and transit providers play an important role in the Secretary’s Congestion Initiative, in FY 2009 it is not anticipated that expert support projects will still be necessary. Rather, FTA has increased emphasis on operating efficiencies that foster public transportation growth in highly congested urban areas that will aid “free-flow” traffic conditions thus improving throughput and reducing costs due to wasted fuel and travel time.</p>	
Improve Capital and Operating Efficiencies	-\$3,445,000
<p>Funding in this strategic research area strengthens the ability of FTA to address its core objectives to Improve Capital and Operating Efficiencies within the transit industry. Funding will support research into new technologies that will improve bus, bus rapid transit, and rail operations. The critical projects included in this programmatic area will allow FTA to continue to emphasize sharing technological innovations internationally and will allow domestic businesses to become more globally competitive.</p>	
<p>The decrease in requested funding for this strategic research area is due primarily to the re-alignment and consolidation of projects, which has allowed for increasingly efficient project delivery. Funding of designated critical FTA projects in this program area will align project funds and administrative support costs. This will help FTA focus resources on innovations, efficiencies, and greater effectiveness in the management of public transportation services.</p>	
Improve Safety and Emergency Preparedness	\$1,135,000
<p>The success of FTA investments in projects designed to enhance and increase the safety of public transportation systems cannot be understated. Public transit is the safest mode of transportation in the United States.</p>	
<p>FTA will continue to fund its core programs that contribute towards the safety of the public transportation system. In support of the Secretary’s priority of safety, FTA has focused on funding research projects that address safety issues. Much of the increase in this strategic research area is due to the augmented funding request for FTA’s Safety and Security Emergency Preparedness Technology research project.</p>	
Protect the Environment & Promote Energy Independence	\$118,000
<p>The increase in this program area supports the emphasis FTA places on research into clean fuels and hybrid electric vehicles. FTA consolidated several individual projects into the agency’s new Clean Fuels and Electric Drive Bus Deployment (Hybrid-electric) Program in FY 2008. Continued support of this critical project will allow FTA to examine practices and technologies that can lead to further improvements in air emissions and fuel efficiency.</p>	

To support the goal of decreasing gasoline consumption, FTA has increased funding for its environmental research program. Since well-planned communities with effective transit systems decrease the number of trips a driver must make, FTA will support the integration of environmental, land use, and economic development planning.

FTA has also placed importance on investigating technologies and methods to reduce energy consumption of rail systems through the “Rail Energy Conservation Improvements” program. Research will examine wayside energy storage substations, regulation, and reduction of peak power demand, use of regenerated energy, and reducing voltage.

Provide Transit Research Leadership	\$270,000
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Modest increases in the funding requests for a few of FTA’s high priority projects, such as the Innovative Financing and Public Private Partnerships research project, account for the slight increase in this strategic research goal.

Detailed Justification for Transit Cooperative Research

Transit Cooperative Research Program	FY 2009 Request: \$9,300,000
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Overview:

The goals and objectives of FTA’s Transit Cooperative Research Program (TCRP) are to focus on issues significant to the transit industry with an emphasis on local problem-solving research. TCRP efforts include:

- Research in planning and service concepts.
- Research in vehicles and equipment, facilities, and operations.
- Research in human resources, maintenance, policy, and administrative practices.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

FY 2009 Budget Request:

In FY 2009, 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.
- Continue to assess the relationship between economic development in a corridor and the economic impact of transit investments.

Detailed Justification for National Transit Institute

National Transit Institute	FY 2009 Request: \$4,300,000
Overview: <p>The goals and objectives of the National Transit Institute (NTI), located at Rutgers University in New Jersey, are to develop and teach new methods and techniques to improve transit workforce performance and increase productivity in the workplace. NTI goals and objectives support FTA's Strategic Research Plan by providing training in planning and service concepts; operations improvements and safety; human resources policies; and management development and effectiveness.</p> <p>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.</p>	
FY 2008 Base: <p>Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.</p>	
Anticipated FY 2008 Accomplishments: <ul style="list-style-type: none">• Over 78,300 transit employees have received security training since 9/11.• New transit security courses have been 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.• NTI has completed work for a new course addressing passenger behavior techniques.	
FY 2009 Budget Request: <p>In FY 2009, funding will be used for the following:</p> <ul style="list-style-type: none">• The National Transit Institute will deliver approximately 50 courses at locations throughout the country during FY 2009.• FTA will continue to assist transit operators in learning about and implementing market-based strategies to increase transit ridership.• 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.	

Detailed Justification for University Transportation Centers

University Transportation Centers **FY 2009 Request: \$7,000,000**

Overview:

The objective of FTA's University Transportation Research program is to advance U.S. technology and expertise in the many disciplines comprising transportation through the mechanisms of education, research, and technology transfer at university-based centers of excellence. The University Transportation Research program promotes strategic planning and use of multi-modal transportation.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

- Increased number and diversity of students, faculty, and staff substantively involved in the undergraduate, graduate, and professional programs related to transportation.
- Availability of research results useful to FTA in a form that can be directly implemented, utilized, or otherwise applied.

FY 2009 Budget Request:

In FY 2009 FTA will:

- Continue to support university research aimed at addressing regional and national transportation problems. Research will continue to be conducted to direct technology transfer in ways to mitigate the impacts of surface transportation on the environment, evaluate and monitor infrastructure conditions, and improve information systems for safety and security.
- Continue to suggest research areas to the university based on transit industry needs. This program leverages research investment, using Federal dollars in conjunction with public and private funds to solve real transportation problems.
- Continue to address the needs of the transit industry through the university-based research it sponsors. FTA will link the University Transportation Research program with FTA recruitment of undergraduate and graduate students. This will allow FTA to further the DOT/FTA strategic goal of Economic Growth and Trade through building professional capacity and attracting graduates into FTA and other transportation agencies.

**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	2007 Actual	2008 Est.	2009 Est.
Obligations by program activity:			
00.01	30	13	9
10.00	30	13	9
Budgetary resources available for obligation:			
21.40	51	22	9
22.10	1	...	...
23.90	52	22	9
23.95	-30	-13	-9
24.40	22	9	...
Change in obligated balances:			
72.40	167	127	78
73.10	30	13	9
73.20	-69	-62	-42
73.45	-1	...	...
74.40	127	78	45
Outlays (gross), detail:			
86.93	69	62	42
Net budget authority and outlays:			
89.00	...	...	...
90.00	69	62	42

JOB ACCESS AND REVERSE COMMUTE GRANTS
PROGRAM AND PERFORMANCE

In 2009, funds requested for the Job Access and Reverse Commute program are included in the Formula and Bus Grants account. No new budget authority is requested in 2009 in this account.

CAPITAL INVESTMENT GRANTS

For necessary expenses to carry out section 5309 of title 49, United States Code, [\$1,569,091,997] \$1,620,828,893, to remain available until expended[: *Provided*, That of the funds available under this heading, amounts are to be made available as follows:

AC Transit BRT Corridor Alameda County, California, \$490,000.
Alaska and Hawaii ferry projects, \$15,000,000.
Bus Rapid Transit, Cumberland County, Pennsylvania, \$294,000.
Central Corridor Light Rail, Minnesota, \$10,192,000.
Central Link Initial Segment, Washington, \$68,600,000.
Central LRT Double-Track-Largo Extension, Maryland, \$34,300,000.
Central Phoenix/East Valley Light Rail, Arizona, \$88,200,000.
Charlotte Rapid Transit, North Carolina, \$1,960,000.
CORRIDORone Regional Rail Project, Pennsylvania, \$10,976,000.
DCTA Fixed Guideway/Engineering, Lewisville, Texas, \$245,000.
Denali Commission, Alaska, \$5,000,000.
Dulles Corridor Metrorail Project, Virginia, \$34,300,000.
Galveston Rail Trolley, Texas, \$1,960,000.
Honolulu High Capacity Transit Corridor, Hawaii, \$15,190,000.
Hudson-Bergen MOS-2, New Jersey, \$54,089,135.
I-205/Portland Mall Light Rail, Oregon, \$78,400,000.
I-69 HOV/BRT, Mississippi, \$7,546,000.
JTA Bus Rapid Transit, Jacksonville, Florida, \$9,329,600.
Lane Transit District, Pioneer Parkway EmX Corridor, Oregon, \$14,504,000.
Long Island Rail Road East Side Access, New York, \$210,700,000.
MARC Commuter Rail Improvements and Rolling Stock, Maryland, \$9,800,000.
MBTA Fitchburg to Boston Rail Corridor Project, Massachusetts, \$5,880,000.
METRA Connects Southeast Service, Illinois, \$7,227,500.
METRA Star Line, Illinois, \$7,227,500.
METRA Union Pacific Northwest Line, Illinois, \$7,227,500.
METRA Union Pacific West Line, Illinois, \$7,227,500.
Metro Gold Line Eastside Extension, California, \$78,400,000.
Metrorail Orange Line Expansion, Florida, \$1,960,000.
Metro Rapid Bus System Gap Closure, Los Angeles, California, \$16,347,380.
Mid-Jordan Light Rail Extension, Utah, \$19,600,000.
Monmouth-Ocean-Middlesex County Passenger Rail, New Jersey, \$980,000.
New Britain-Hartford Busway, Connecticut, \$3,271,632.
Norfolk Light Rail Project, Virginia, \$23,030,000.
North Corridor, Houston and Southeast Corridor, Texas, \$19,600,000.
North Shore Corridor & Blue Line, Massachusetts, \$1,960,000.
NorthStar Commuter, Minnesota, \$53,900,000.
Northern Indiana Commuter Transit District Recapitalization, Indiana, \$4,900,000.
North Shore LRT Connector, Pennsylvania, \$32,846,115.
Northwest NJ-Northeast PA, Pennsylvania, \$2,940,000.
NW/SE LRT MOS, Texas, \$84,525,000.

Pacific Highway South BRT, King County, Washington, \$13,794,480.
Perris Valley Line Metrolink Extension, California, \$1,960,000.
Pawtucket/Central Falls Commuter Rail Station, Rhode Island, \$1,960,000.
Planning and Design, Bus Rapid Transit-State Avenue Corridor, Wyandotte County, Kansas, \$1,470,000.
Provo Orem Bus Rapid Transit, Utah, \$4,018,000.
Rapid Transit (BRT) project, Livermore, California, \$2,940,000.
Ravenswood Line Extension, Illinois, \$39,200,000.
Route 1 Bus Rapid Transit, Potomac Yard-Crystal City, Alexandria and Arlington, Virginia, \$980,000.
Second Avenue Subway Phase 1, New York, \$167,810,300.
SMART EIS and PE, California, \$1,960,000.
South County Commuter Rail Wickford Junction Station, Rhode Island, \$12,269,449.
Southeast Corridor LRT, Colorado, \$50,529,274.
South Sacramento Corridor Phase 2, California, \$4,410,000.
Telegraph Avenue-International Boulevard-East 14th Street Bus Rapid Transit Corridor Improvements, California, \$1,960,000.
Third Street Light Rail, San Francisco, California, \$11,760,000.
Trans-Hudson Midtown Corridor, New Jersey, \$14,700,000.
Troost Corridor Bus Rapid Transit, Missouri, \$6,134,800.
West Corridor Light Rail Project, Colorado, \$39,200,000.
University Link LRT, Washington, \$19,600,000.
VIA Bus Rapid Transit Corridor Project, San Antonio, Texas, \$4,900,000.
Virginia Railway Express Extension-Gainesville/Haymarket, Virginia, \$490,000.
VRE Rolling Stock, Virginia, \$3,920,000.
Weber County to Salt Lake City, Utah, \$78,400,000], *of which \$200,000,000 is for section 5309(e). (Department of Transportation Appropriations Act, 2008.)*

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

Program and Financing (in millions of dollars)

		2007	2008	2009
Identification code : 69-1134-0-1-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Capital Investment Grants.....	2,090	1,733	2,013
00.03	Lower Manhattan Recovery P.L. 107-206 .....	...	90	9
09.00	Federal Emergency Management P.L. 107-206 Reimbursable [FEMA]	192	100	83
10.00	Total obligations.....	2,282	1,923	2,105
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	1,798	1,090	736
22.00	New budget authority (gross).....	1,567	1,569	1,621
22.10	Resources available from recoveries of prior year obligations.....	9	...	...
22.21	Unobligated balance transferred to other accounts	-2	...	...
23.90	Total budgetary resources available for obligation.....	3,372	2,659	2,357
23.95	Total new obligations.....	-2,282	-1,923	-2,105
24.40	Unobligated balance carried forward, end of year	1,090	2,659	2,357
New budget authority (gross), detail:				
Discretionary				
40.00	Appropriation.....	1,566	1,569	1,621
58.00	Spending authority from offsetting collections: Offsetting collections (cash).....	1	...	...
70.00	Total new budget authority (gross).....	1,567	1,569	1,621
Change in obligated balances:				
72.40	Obligated balance, start of year.....	6,907	6,517	5,722
73.10	Total new obligations.....	2,282	1,923	2,105
73.20	Total outlays (gross).....	-2,663	-2,718	-2,606
73.45	Recoveries of prior year obligations.....	-9	...	...
74.40	Obligated balance, end of year.....	6,517	5,722	5,221
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	648	188	195
86.93	Outlays from discretionary balances.....	2,015	2,530	2,411
87.00	Total outlays (gross).....	2,663	2,718	2,606

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

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

Identification code : 69-1134-0-1-401		2007	2008	2009
		Actual	Est.	Est.
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources.....	1	...	...
Net budget authority and outlays:				
89.00	Budget authority.....	1,566	1,569	1,621
90.00	Outlays.....	2,662	2,718	2,606

CAPITAL INVESTMENT GRANTS

PROGRAM AND PERFORMANCE

In 2009, 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 and bus rapid transit systems that are implemented in communities across the country to provide an alternative to automobile travel, to improve mobility, and to address congestion and air quality concerns in the areas they serve.

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

Object Classification (in thousands of dollars)

Identification code : 69-1134-0-1-401	2007 Actual	2008 Est.	2009 Est.
Direct obligations:			
11.11 Personnel compensation: Full-time permanent.....	1,022	1,102	1,249
21.0 Travel and Transportation of things.....	22	28	37
23.1 Rent, Communications, Utilities.....	206	212	216
24.0 Printing and reproduction.....	0	1	1
26.0 Supplies.....	4	3	3
31.0 Equipment.....	0	10	10
25.2 Other Services.....	12,217	20,919	23,712
41.0 Grants, subsidies, and contributions.....	2,076,616	1,801,240	1,996,866
	-----	-----	-----
Subtotal, obligations, Direct obligations.....	2,090,087	1,823,515	2,022,094
Reimbursable obligations:			
25.2 Other Services.....	...	...	...
41.0 Grants, subsidies, and contributions.....	192,147	100,000	82,536
	-----	-----	-----
99.0 Subtotal, obligations, Reimbursable obligations.....	192,147	100,000	82,536
99.9 Total new obligations.....	2,282,234	1,923,515	2,104,630

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

Personnel Summary

Identification code : 69-1134-0-1-401	2007 Actual	2008 Est.	2009 Est.
Direct:			
Total compensable workyears: Civilian full-time equivalent employment employment	8	9	9

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

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

	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request	Change FY 2008- FY 2009	Change FY 2008- FY 2009, %
Major Capital Investment Grants Greater than \$75,000,000 (New Starts) 1/ Capital Investment Grants Less than \$75,000,000 (Small Starts)	\$1,532,885	\$1,468,528	\$1,420,829	-\$47,699	-3.2%
	<u>33,115</u>	<u>100,564</u>	<u>200,000</u>	<u>99,436</u>	<u>98.9%</u>
Total – Capital Investment Grants	\$1,566,000	\$1,569,092	\$1,620,829	\$51,737	3.3%

1/ Includes Alaska and Hawaii, the Denali Commission and oversight

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 or New Starts. In addition, the account funds smaller capital projects, or Small Starts, that include requests under \$75 million for new fixed guideway systems and extensions for existing systems, and bus corridor improvements.

The New Starts Program is FTA’s primary program for the expansion of transit infrastructure in the United States, providing additional supply of transit services to get people out of cars, off congested roads, and onto public transit systems. 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, rating and managing these major transit investments continue to show incremental improvement, stakeholders have raised questions on the effectiveness and efficiency of FTA’s decision-making process. FTA is committed not only to continuous improvement of the New Starts Project Development Process, but also to identifying possible significant changes in the highly political and regulated environment of New Starts projects.

CAPITAL INVESTMENT GRANTS

**Summary Analysis of Change from FY 2008 to FY 2009
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)**

Item	Change From FY 2008 to 2009	FY 2008 PC&B By Program	FY 2008 FTEs By Program	FY 2008 Contract Expenses	Total
FY 2008 Base (Enacted Level)					\$1,569,092
Capital Investment Grants, Obligations, Limitations, and Exempt Obligations					
Adjustment to Base					
New Starts	-47,699				
Small Starts	99,436				
Subtotal, Adjustments to Base	51,737				51,737
New or Expanded Programs					
Subtotal, New or Expanded Program Increases/Decreases	0				0
Total FY 2009 Request	51,737				\$1,620,829

Detailed Justification for Major Capital Investment Grants Greater than \$75,000,000 (New Starts):

New Starts	FY 2009 Request: \$1,420,828,893
Overview:	
<p>In FY 2009, \$1,420.8 million is proposed for capital investment grants for projects that request a Federal cost share greater than \$75,000,000 under Section 5309. In addition, two projects with pending FFGAs carried over from FY 2008 are proposed in the FY 2009 budget. Funding in the amount of \$85 million is being recommended for final design activities. Projects in the final design stage of development will be considered for funding from the \$85 million. By not identifying any projects for the \$85 million in the budget, FTA will take advantage of its project oversight and risk management activities to identify projects for the \$85 million and notify Congress when it marks up FY 2009 appropriations. The pending and proposed FFGAs are all projects which meet the New Starts criteria, are at an advanced stage of development with few remaining uncertainties, and will likely be eligible and ready for an FFGA prior to or during FY 2008.</p> <p>A total of \$36.21 million is recommended for specific ferry projects, statutory funding to support the work of the Denali Commission, and New Starts/Small Starts oversight activities under 49 U.S.C 5337(c).</p>	

The goals and objectives of the New Starts program include:

- Investing in transit infrastructure to create new, cost-effective transit services.
- Ensuring that only the best new transit projects receive limited Federal dollars.
- Encouraging new transit services that are accessible and convenient.
- Encouraging alternative project delivery methods in the New Starts Program, such as public private partnerships.
- 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 49 USC section 5302(a)(1)(G).
- Encouraging transit-oriented development thus creating viable communities.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Public Law 110-161.

Anticipated FY 2008 Accomplishments:

- FTA has increased its focus on improving the cost-effectiveness of the proposed New Starts projects. The agency requires local transit agencies to remove costs that do not contribute to the project’s benefits, and has helped project sponsors improve their travel forecasts to more accurately portray user benefits.
- As part of an ongoing effort to make the New Starts evaluation and rating process as transparent as possible, FTA revamped the format and content of the project profiles. These revamped profiles encourage project sponsors to carefully consider how early decisions about project scope and alignment, cost, local commitment in terms of funding, and supportive land use policies will ultimately affect the project’s rating.
- Implement improvements to the New Starts Project Development Process that:
 - identify projects that can be delivered on time and on budget, with the projected benefits
 - clarify roles and responsibilities within FTA during the evaluation process
 - manage project risk rather than attempting to eliminate project risk
 - assure proper allocation of risks and responsibilities among all parties
 - reduce the time for delivering projects
 - standardize Federal review periods
 - assure the predictability and transparency of FTA’s New Starts guidance and project delivery process
 - produce consistency in process outcomes
 - accommodate possible alternative project delivery methods
- FTA held three listening sessions around the country with industry participants to discuss proposed changes to the New Starts program and receive feedback.

Workshops on proposed changes were also held during the American Public Transportation Association Legislative Conference. Other meetings with representatives of the industry have been held as requested.

- On January 19, 2006, FTA published in the *Federal Register* a Notice of Availability of Guidance on New Starts Policies and Procedures and Request for Comments for Fiscal Year (FY) 2008 reporting requirements. FTA received a number of helpful comments on the guidance and made appropriate revisions in response to industry concerns. A Notice of Availability of Final Guidance on New Starts Policies and Procedures, Updated Reporting Instructions and New Starts Rating and Evaluation Process was published May 22, 2006.
- Section 3011(c) of the SAFETEA-LU authorizes the Secretary to establish and implement the Pilot Program to demonstrate the advantages and disadvantages of public-private partnerships for certain new fixed guideway capital projects. On March 22, 2006, FTA issued a notice and solicitation for comments with respect to the Secretary's establishment and implementation of the Pilot Program.
- On May 1, 2007, FTA responded to these comments by topic and in the following order: (A) statutory background; (B) objective of the Pilot Program; (C) operation of the Pilot Program; (D) common grant rule; (E) seniority of the Federal interest; and (F) tax-exempt financing.
- On February 12, 2007, FTA published in the *Federal Register* a Notice of Availability of Guidance on New Starts Policies and Procedures and Request for Comments for FY 2009 reporting requirements. On June 4, 2007, a Notice of Availability of Final Guidance on New Starts Policies and Procedures, Updated Reporting Instructions and New Starts Rating and Evaluation Process was published.
- On August 3, 2007, FTA published a notice of proposed rulemaking (NPRM) in the *Federal Register* with changes to Capital Investment Grants. This NPRM outlines proposed changes to the New Starts program and incorporates the Small Starts program into the regulation. In the preamble, FTA responded to comments received from the Small Starts advance notice of proposed rulemaking (ANPRM), published in the *Federal Register* on January 30, 2006, and addressed additional comments received from the February 12, 2007 Notice of Availability of Guidance on New Starts Policies and Procedures.
- Five listening sessions on the NPRM were held in September and October 2007.
- FTA will not publish a Final Rule, in accordance with Section 170 of the FY 2008 Consolidated Appropriations Act (P.L. 110-161). FTA will continue to review comments received to the NPRM.

- FTA and the Department of Housing and Urban Development (HUD) jointly funded the study undertaken by Reconnecting America on transit oriented development and housing. The full report and executive summary for *Realizing the Potential: Expanding Housing Opportunities Near Transit* are available on the websites of both agencies, and have been distributed to key stakeholders. This collaboration has identified areas in which future joint FTA/HUD efforts can be pursued, including: Utilize FTA and HUD regional staffs in case study cities to follow up on opportunities identified in the Report for encouraging more housing and transit coordination;
 - Establish a joint FTA/HUD team to identify research needs for transit/housing coordination;
 - Develop a handbook for local communities to enhance planning coordination of transit and housing; and
 - Explore developmental interagency personnel assignments for further examination of policy directions.
- FTA has established a Public-Private Partnership Pilot Program (“Penta-P”) to demonstrate the advantages and disadvantages of Public-Private Partnerships (“PPP”) for certain new fixed guideway capital projects.
- Implement a Public-Private Partnership Pilot Program for three projects, demonstrating incentives and obligations within the framework of the law, to explore the advantages and disadvantages of PPPs, as applied to eligible projects
- FTA submitted its *Report to Congress on the Costs, Benefits, and Efficiencies of Public-Private Partnerships for Fixed Guideway Capital Projects* in November 2007.
- The report required by SAFETEA-LU in U.S.C. 5309(c)(6) is intended to identify and examine the costs, benefits and efficiencies of applying PPP delivery approaches to transit projects.

FY 2009 Budget Request:

FTA requested funding in FY 2009, for 15 existing, and two pending full funding grant agreements (FFGAs). The benefits of these projects cover 13 states and the District of Columbia. The total cost of these projects exceeds \$26.1 billion (total federal, state, and local funds), with Federal New Starts funding providing approximately \$9.2 billion (35% of the total cost). When completed, these projects will help improve mobility, reduce congestion and pollution, and promote new economic activity throughout the Nation. Based on the annual amounts in the current Attachment 6 for existing FFGAs and funding streams developed for pending and proposed FFGAs a total of \$1.3 billion will be needed in FY 2009 to support existing FFGAs.

- When complete, the New Starts projects recommended and funded in FY 2009 will help improve mobility, reduce congestion and pollution, and promote new economic activity throughout the Nation. In particular, these projects firmly support the DOT performance goals of reducing congestion, increasing transit ridership, and reducing mobile source emissions. Below is a summary of the anticipated benefits of these projects when they are completed and in operation:
 - These projects will carry over 1,492,000 riders each day.
 - Annually, these projects will carry 346 million total riders. It is estimated that 100.3 million riders would have used an automobile for these trips.
 - Riders using the transit systems under construction will experience 128.7 million hours of reduced travel time annually.
 - Removal of these automobiles would improve air quality by reducing 19 billion tons of CO₂ emissions annually.
 - These projects serve some of the fastest growing areas of the United States. The population of the 22 metropolitan areas in which these systems are currently under construction is forecast to increase from 78 million to over 99 million people over 20 years--an increase of 27 percent.
 - If operating today, these projects would provide access to over 8.8 million jobs located within ½ mile of proposed transit station areas.
 - Based on US Census data, approximately 608,000 households are located within ½ mile of new transit station areas being provided for by these projects. Approximately 108,000 low-income households are located within ½ mile of these station areas today and would benefit from direct access to reliable, high quality transit service.
 - By providing 108,000 low-income households access to over 8.8 million jobs, there are corresponding benefits for increased employment opportunities for people transitioning from welfare to work.

- Urban Partnership Agreements (UPA) reflect the Department's effort to develop, in the words of U.S. Transportation Secretary Mary Peters, "21st Century Solutions to 21st Century Challenges" facing the Nation's transportation network. FTA supports the Department's efforts to offer a more attractive alternative to automobile travel and accommodate peak-period commuters who may switch to transit when roads adopt congestion pricing. A key area for transit investment will include creating or expanding express bus services or bus rapid transit (BRT), and other transit alternatives that will benefit from the free flow traffic conditions generated by congestion pricing or variable tolling.

Effectiveness and Efficiency

Due to the complexity and size of New Starts projects, the delivery time for these projects can range from 6 to 12 years. While the methodologies for justifying, rating and managing these major transit investments are sound, stakeholders have raised questions on the effectiveness and efficiency of FTA's oversight and decision-making process. To address these concerns, FTA engaged an international business and management consulting firm to review our New Starts process. That firm reviewed and assessed

every aspect of the New Starts competitive process from organizational structure and operations to improved project delivery. The completed report is organized around four general themes: streamlining project development and evaluations processes; New Starts process management; FTA's organizational structure; and improved communications. FTA is committed not only to continuous improvement of the New Starts Project Development Process, but also to identifying possible significant changes, and streamlining opportunities in the highly political and regulated environment of New Starts projects.

FTA's Program Management Oversight (PMO) and Financial Management Oversight (FMO) contractors, along with FTA staff, have been successful in assisting transit agencies in dealing with these variables, and in ultimately containing costs. FTA remains committed to ensuring the completion of projects on time and on budget, and will continue to assist transit agencies in:

- Developing even more disciplined approaches to project cost estimates
- Focusing on best practices and better metrics
- Improving further the New Starts rating criteria
- Emphasizing risk assessment practices
- Evaluating procurement practices
- Working with organizations to provide web-based best practices and peer review accreditation.

FTA seeks to streamline the oversight program and review business processes and generate recommendations for process improvements. This initiative, called the "Quality Design Initiative" (QDI), will review and analyze the purpose and effectiveness of the FTA's current oversight review programs, procedures and mechanisms. The analysis will include a review of cooperative agreement and make suggestions for areas that would benefit from additional oversight. QDI will culminate with concrete findings, recommendations, as well as a "plan-of-action" for realistic and executable improvements to oversight as practiced by FTA.

The New Starts program was assessed using the Office of Management and Budget's Program Assessment Rating Tool (PART) as part of the FY 2005 budget process, and was found to be well managed and moderately effective in meeting the demand for transit in communities nationwide. In particular, PART demonstrated the New Starts program's effectiveness in containing project costs and in helping to promote transit ridership.

Evaluation Process:

The evaluation and rating process used to determine FY 2009 New Starts/Small Starts budget recommendations is generally the same as last year.

Changes adopted in June 2007 are below:

- Cost Effectiveness: FTA adjusted the breakpoints for rating the cost effectiveness of proposed New Starts and Small Starts projects based on the Gross Domestic Product index.
- Implement a Five-Tiered Scale for Assigning Overall Project Ratings. FTA replaced the current three-tiered overall project rating scale of *High, Medium, and Low* with a five-tiered rating scale of *High, Medium-High, Medium, Medium-Low* or *Low* as directed in SAFETEA-LU. *Applies to New Starts and Small Starts.*
- New Measures for the Mobility Improvements Criteria. FTA added three new measures and eliminated two previous measures in its evaluation of the anticipated mobility improvements of proposed New Starts projects. *Applies to New Starts.*
- Elimination of the evaluation of Operating Efficiencies as a Stand-Alone Criterion. FTA no longer evaluates operating efficiencies as a stand-alone criterion. Instead, this document clarifies that operating efficiencies of proposed New Starts projects are adequately captured under FTA’s measure for cost effectiveness. *Applies to New Starts.*
- Consolidated Measures for Local Financial Commitment. FTA reduced the sub-factors used to develop the ratings for the stability and reliability of the capital and operating finance plans from five to three and changed their weights. *Applies to New Starts; only applies to Small Starts which do not meet the streamlined financial evaluation process.*
- Assigning of High ratings to the Local Financial Commitment of Small Starts which Qualify for the Streamlined Financial Evaluation Process. FTA assigns a rating of *High* for Local Financial Commitment for any Small Starts project which: a) qualifies for the streamlined financial evaluation process described in guidance; and b) proposes a no greater-than 50 percent share of New Starts project costs. *Applies to Small Starts.*
- Expanded Measures for the “Other Factors” Criteria. FTA now formally rates the “Making the Case” document. FTA will also assign a rating under “other factors” if the project is part of a local congestion pricing strategy. *Applies to New Starts and Small Starts.*

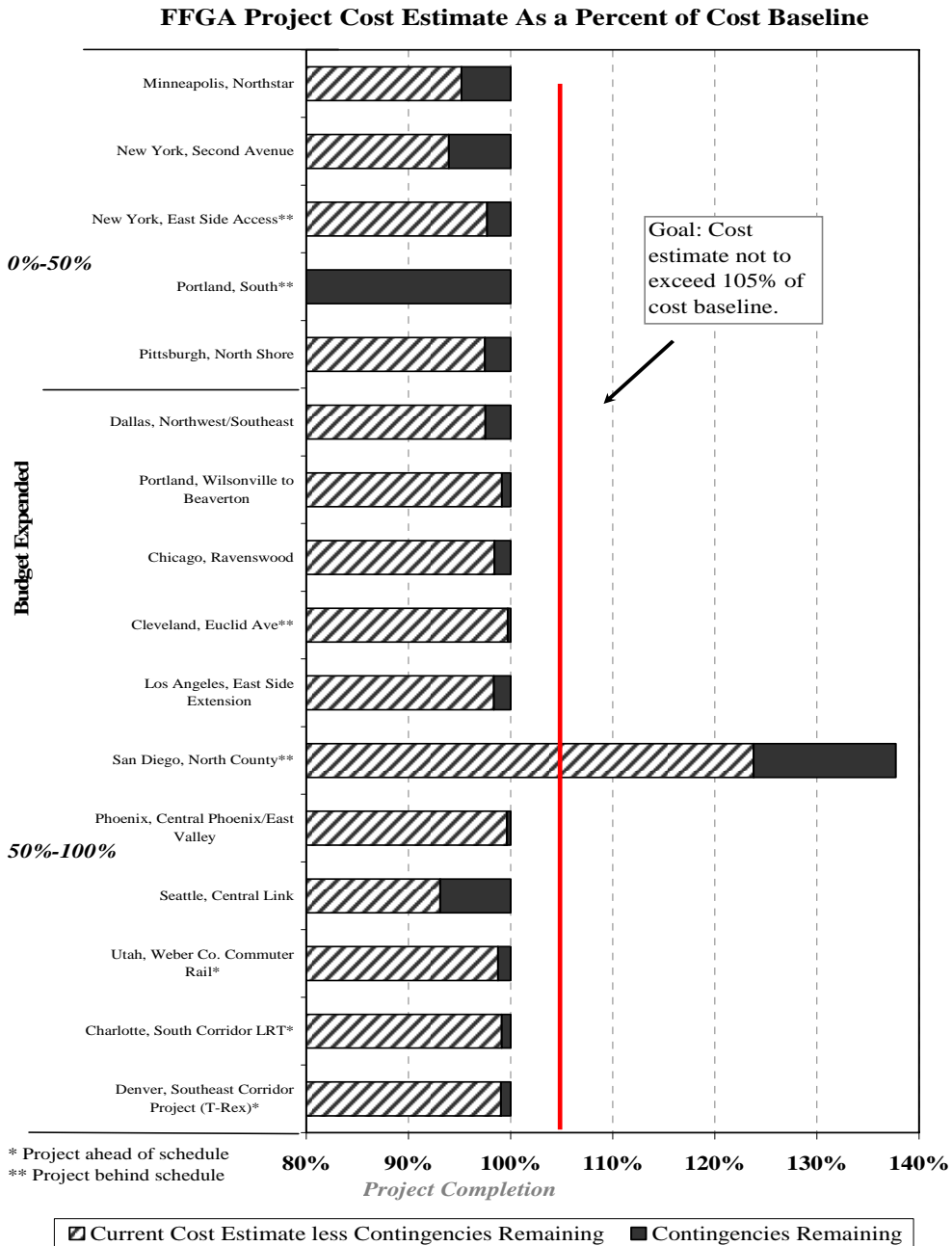
Performance Measures:

Cost Containment – Cost containment of major capital projects is one of FTA’s performance metrics. Some of the variables that can lead to or help avoid cost overruns of these large projects include:

- Current economic bidding climate and financing terms
- High risk factors, such as environmental mitigation
- Quality of planning, project scope, and local decision-making

- Quality of project design and procurement process, and
- Reputation/expertise of the transit agency

Performance Goal: On December 31, 2007, the current total estimated project cost of each of 25 Full Funding Grant Agreements (FFGAs) will not exceed that project's baseline cost estimate (incorporating any known modifications through October 1, 2002) by more than 5 percent. The chart below illustrates that as of the end of December 2007, 95 percent of all FFGAs were within 5 percent of their baseline cost.



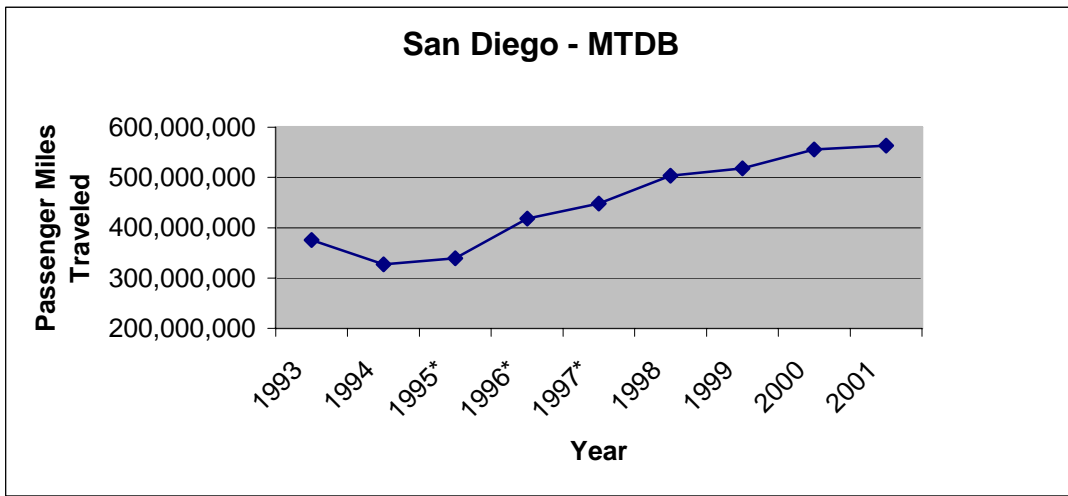
Transit Ridership - As discussed in the PART analysis for the FY 2005 budget, the success of New Starts projects are helping FTA and the Department achieve their core accountability and strategic goal of meeting transit ridership demands. Past analysis has shown an increased annual transit ridership exceeding 2.0 percent for selected Urbanized Areas (UZAs) after the opening of passenger service of New Starts projects within those UZAs. For example, after the San Diego UZA experienced a decline in transit ridership during the period up to 1994, it saw an average increase in transit ridership of 9.1 percent annually between 1995 and 2001. During these years, three New Starts extensions to existing light rail service were opened in 1995, 1996, and 1997. The graphic below illustrates transit ridership for the UZA of San Diego, CA.

This positive trend in transit ridership in the San Diego UZA, apparently associated with New Starts projects, provides some evidence that the New Starts program is helping achieve the annual FTA performance goal of ridership. However, the insights gained from such analysis are limited, because they do not take into account other changes in the transportation system, which may have contributed to ridership growth. For this reason, FTA has taken significant steps to quantify these positive trends more accurately in future New Starts projects. The agency is establishing a methodology that filters out extraneous factors in reporting ridership data that currently exist (e.g., economic and population trends, transportation network changes, etc.). Specifically, FTA now requires each FFGA sponsor to conduct a “Before and After Study” to measure the impacts of the New Starts investment on, among other things, ridership.

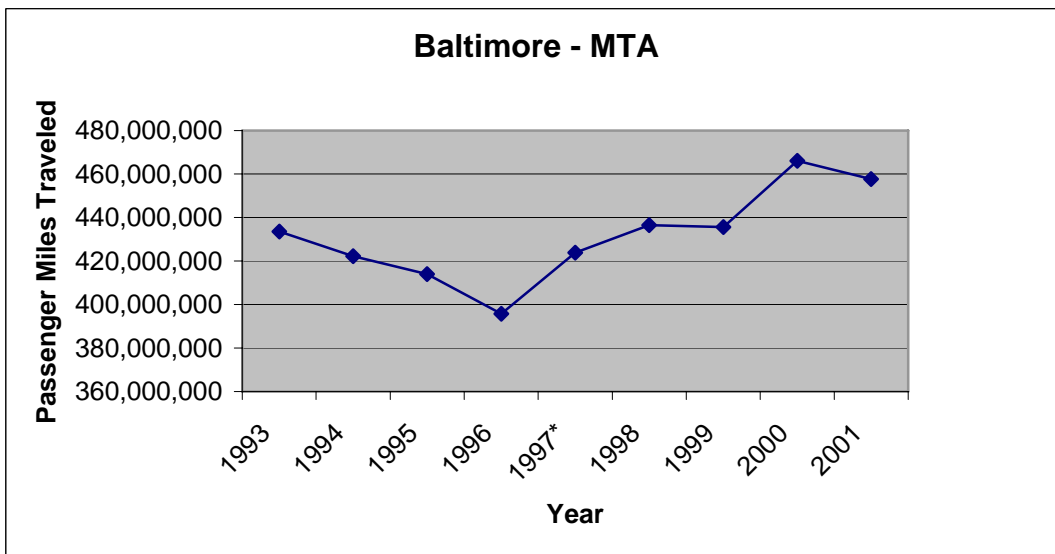
The Before and After Study requirement will help FTA meet its responsibility to assess the impact of the New Starts program in accordance with the Government Performance and Results Act (GPRA) of 1993. FFGA projects affected by the requirement since 2001 are collecting their baseline ridership data against which to measure future ridership changes. This data will be invaluable in both demonstrating the success of new New Starts projects and in confirming the positive trends observed in ridership figures from New Starts projects already in operation.

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 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 Before and After Study also helped demonstrate the Light Rail extension’s possible effect on reducing congestion and increasing transit ridership: 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. Subsequent Before and After Studies will better isolate the impacts of FFGAs like that of the Medical Center extension in Salt Lake City as data for entire systems are quantified in more discrete segments.

Examples of UZAs with increases in transit ridership possibly linked to New Starts openings, prior to the Before and After Study requirement in 2001, follow:

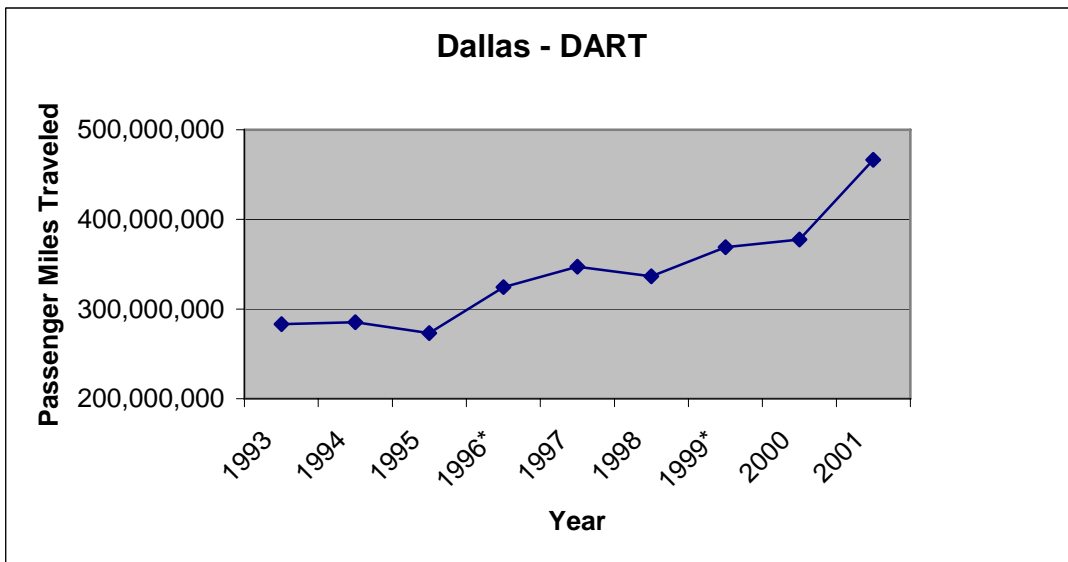


*Extensions of light rail service to an existing system were opened for passengers in August of 1995, June of 1996, and November of 1997. A 3.5% increase in ridership occurred for this UZA between the years 1994 and 1995. An 18.9% increase in ridership occurred for this UZA between the years 1995 and 1996. A 6.7% increase in ridership occurred for this UZA between the years 1996 and 1997.

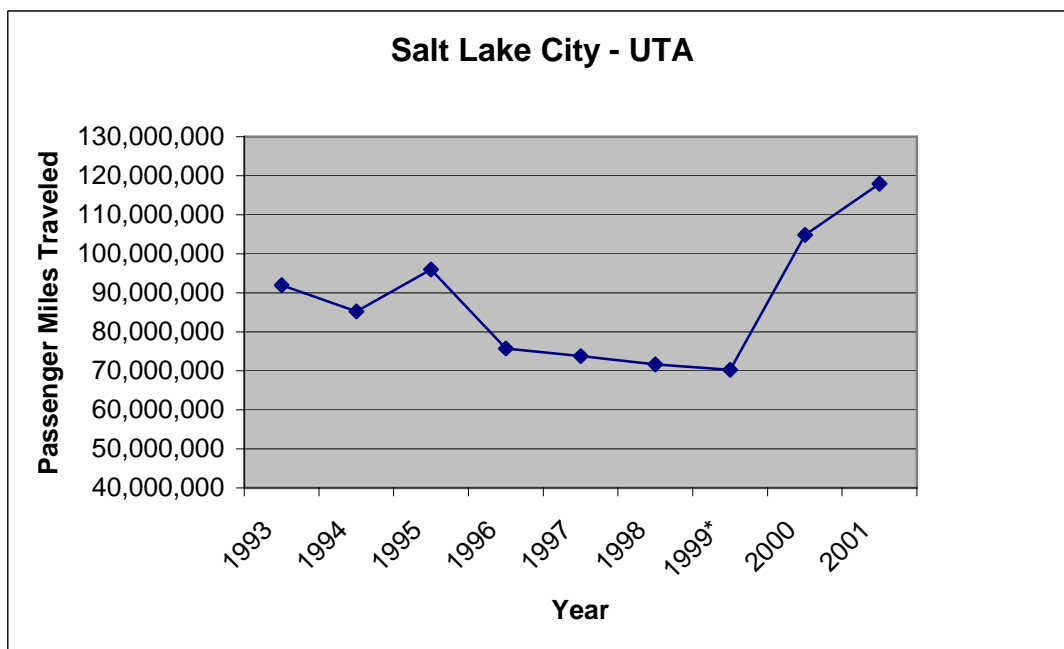


The graphic above illustrates transit ridership for the UZA of Baltimore, MD.

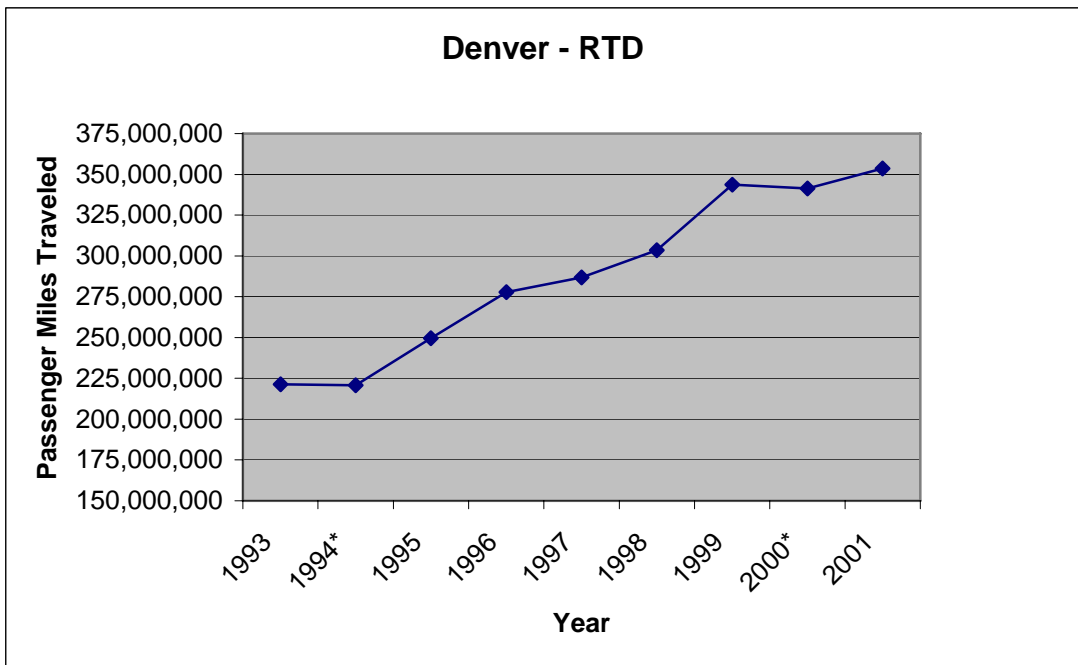
*Three extensions of light rail service were opened for passenger service in September of 1997. A 7.1% increase in ridership occurred for this UZA between the years 1996 and 1997.



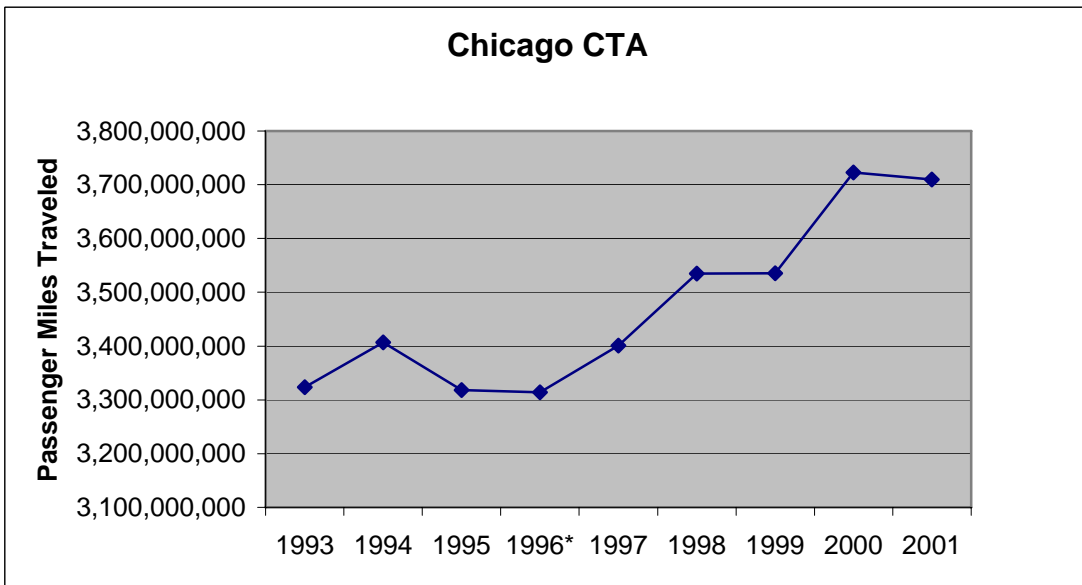
The graphic above illustrates transit ridership for the UZA of Dallas-Fort Worth-Arlington, TX.
 *Light rail was opened for passenger service in June of 1996 and commuter rail was opened for passenger service in December of 1999. An 18.8% increase in ridership occurred for this UZA between 1995 and 1996. A 19% increase in ridership occurred for this UZA between 2000 and 2001.



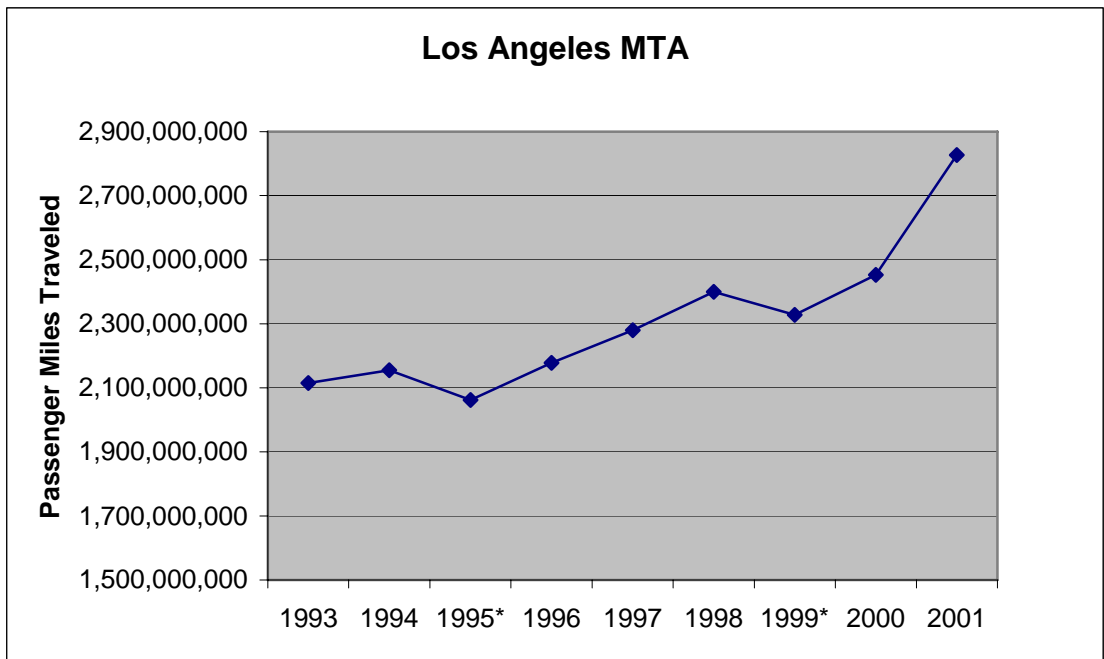
The graphic above illustrates transit ridership for the UZA of Salt Lake City, UT.
 *Light rail was opened for passenger service in December of 1999. A 49% increase in ridership occurred for this UZA between 1999 and 2000.



The graphic above illustrates transit ridership for the UZA of Denver-Aurora, CO.
 *Light rail was opened for passenger service in October 1994 and additional service July 2000. An 11.5% increase in ridership occurred for this UZA between 1994 and 1995. A 3.67% increase in ridership occurred for this UZA between 2000 and 2001.

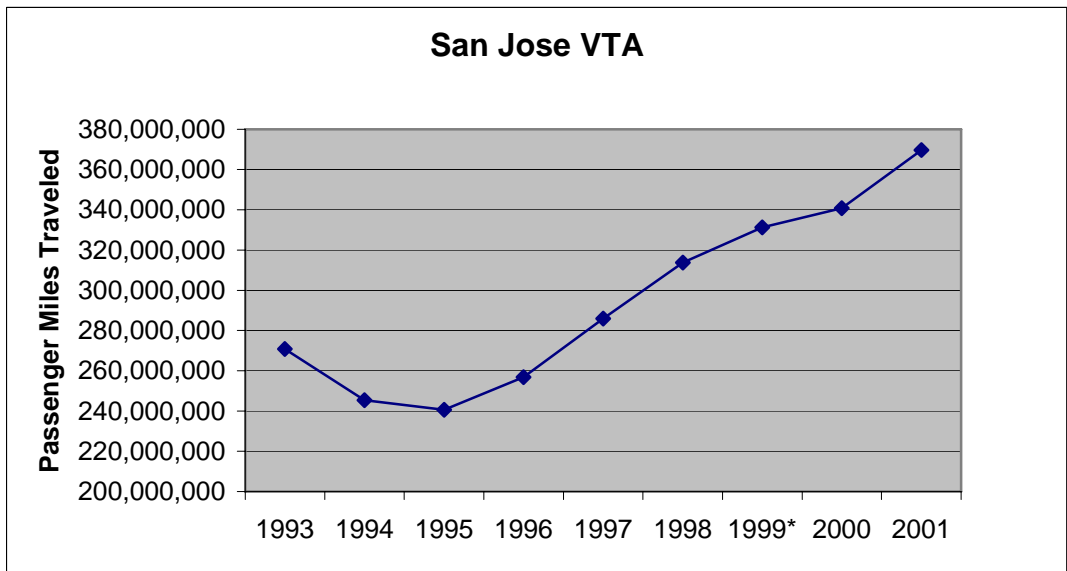


The graphic above illustrates transit ridership for the UZA of Chicago, IL.
 *Commuter rail service was opened for passengers in August 1996. A 2.6% increase in ridership occurred for this UZA between 1996 and 1997.



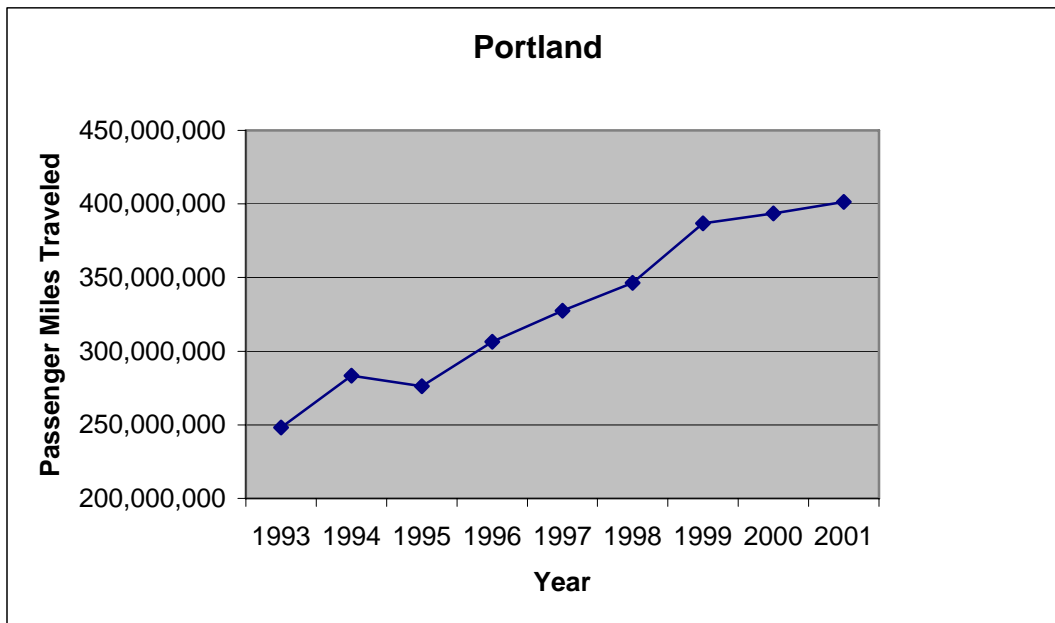
The graphic above illustrates transit ridership for the UZA of Los Angeles-Long Beach-Santa Ana, CA.

*An extension of light rail service to an existing system was opened for passengers in May 1995. An extension of heavy rail service to an existing system was opened for passengers in June 1999. A 5.3% increase in ridership occurred for this UZA between 1995 and 1996. A 5.1% increase in ridership occurred for this UZA between 1999 and 2000.



The graphic above illustrates transit ridership for the UZA of San Jose, CA.

*An extension of light rail service to an existing system was opened for passengers in December 1999. A 7.8% increase in ridership occurred for this UZA between 2000 and 2001.



The graphic above illustrates transit ridership for the UZA of Portland, OR-WA.

*An extension of light rail service to an existing system was opened for passengers in late September 1998. A 10.4% increase in ridership occurred for this UZA between 1998 and 1999.

The President's New Starts Funding Recommendations - The President's funding recommendations for New Starts FFGA's are the result of an extensive project development and evaluation 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 replaced the three-level project rating scale of "Highly Recommended," "Recommended," and "Not Recommended" established by TEA-21 with a five-level scale of "High," "Medium-High," "Medium," "Medium-Low," and "Low." SAFETEA-LU further requires that only those projects which receive an overall rating of *Medium* or higher may be recommended for funding. However, 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 final. In addition, notwithstanding their overall project rating, FTA will not generally recommend for funding any project which does not achieve a rating of at least *Medium* for cost effectiveness (even if it receives a *Medium* overall rating).

SAFETEA-LU changes to New Starts:

- A five-level rating system replaced the previous three-level system. Projects will be rated as “High,” “Medium-High,” “Medium,” “Medium-Low,” and “Low.”
- New consideration is given to the reliability of ridership and cost forecasts.
- There are now more explicit requirements that a project will not degrade local bus service.
- Two incentives are now part of the New Starts process. The Ridership and Cost Estimate Incentive allows higher federal match of project funds when cost and ridership estimates are both within 10 percent of forecasts when entering preliminary engineering. The Cost Control Incentive allows, at the discretion of the Secretary, grantees to keep a portion of their savings when under-runs occur.
- “Before and After” studies are now required by statute.
- A Contractor Performance Assessment Report (CPAR) requires FTA to report annually on the consistency and accuracy of cost and ridership estimates.
- Grantees must consult the CPAR when selecting contractors
- The Supplemental Report to the Annual New Starts Report is eliminated.

Explanation of Funding Changes for New Starts:

New Starts	-\$47,699,104
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Overview:

The FY 2009 funding level for New Starts is sufficient to honor all existing and pending full funding grant agreements in the program and to also provide limited funding to permit FTA to recommend New Starts funding for emerging transit capital investments. FY 2007 marked the introduction of the Small Starts Program for project developers seeking less than \$75 million in capital investment grant funding. In FY 2009, FTA is requesting \$200 million the authorized level for this program.

New Starts:

Funding the New Starts program at the FY 2009 request will ensure that the Federal Government fulfills its commitment to those FFGAs that have been signed with local communities. The Full Funding Grant Agreements in the New Starts program should represent a firm commitment, once issued, to allow project sponsors to take maximum advantage of this instrument. 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.

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.

The Program Assessment Rating Tool (PART) analysis of the New Starts program completed during the FY 2005 budget process affirmed that the program is well managed, administered effectively and appropriately and, as a result, is helping FTA meet the Department of Transportation’s reduced congestion goal.

Detailed Justification for Capital Investment Grants Less Than \$75,000,000 (Small Starts):

Small Starts	FY 2009 Request: \$200,000,000
Overview:	
<p>Capital Investment Grants Less Than \$75,000,000, or “Small Starts,” include requests under \$75 million for new fixed guideway systems and extensions for existing systems, and bus corridor improvements including Bus Rapid Transit. Overall funding for individual projects can not exceed \$250 million. Small Starts will have an expedited criteria and project development process to allow the benefits of such projects to be realized more readily.</p> <p>Small Starts projects may involve a corridor bus project with certain design features. The proposed rule requires substantial transit stations, traffic signal priority or preemption, low floor buses or level boarding, branding of services, and 10 minute peak/15 minute off peak headways at least 14 hours per day.</p>	
FY 2008 Base:	
<p>Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Public Law 110-161.</p>	
Anticipated FY 2008 Accomplishments:	
<ul style="list-style-type: none"> • SAFETEA-LU established a new program category known as Small Starts for projects with a total cost of under \$250 million and Small Starts funding less than \$75 million. To initiate implementation of this program, FTA published interim guidance on the Small Starts program to allow project sponsors to apply for consideration in the FY 2008 budget, and advance projects into project development. • Additional guidance and application instructions for sponsors of projects seeking New and Small Starts funding will be published for comment in February and issued in final form in April, along with the Reporting Instructions that describes 	

information needed from grantees for FTA to rate their project.

- For both the New Starts and Small Starts programs, FTA is in the process of issuing a regulation to update the existing Major Capital Investment regulation (49 CFR Part 611). In January 2006, FTA issued an Advanced Notice of Proposed Rulemaking for Small Starts and Policy Guidance for New Starts to seek public comment on proposed changes. Since issuing the ANPRM and Policy Guidance, FTA has held more than a dozen listening sessions to receive feedback from the public on all these proposed changes.
- On August 3, 2007, FTA published a notice of proposed rulemaking (NPRM) in the *Federal Register* with changes to Capital Investment Grants. This NPRM outlines proposed changes to the New Starts program and incorporates the Small Starts program into the regulation. In the preamble, FTA responded to comments received from the Small Starts advance notice of proposed rulemaking (ANPRM), published in the *Federal Register* on January 30, 2006, and addressed additional comments received from the February 12, 2007 Notice of Availability of Guidance on New Starts Policies and Procedures.
- Five listening sessions on the NPRM are scheduled for September and October 2007.
- FTA will not publish a Final Rule, in accordance with Section 170 of the FY 2008 Consolidated Appropriations Act (P.L. 110-161). FTA will continue to review comments received to the NPRM.

FY 2009 Budget Request:

For FY 2009, FTA requests a total of \$200 million for Small Starts. In FY 2009, a total of 13 small starts projects are proposed for development, including 4 existing small starts projects and 9 newly recommended for four Small Starts - Project Construction Grant Agreements (PCGA).

- Existing Small Starts projects include:
 - Los Angeles Metro Rapid Bus Closure Project - \$332,620
 - Kansas City Troost Corridor BRT - \$125,200
 - Springfield (OR) Pioneer Parkway BRT - \$ 296,000
 - King County (WA) Pacific Highway South BRT - \$281,520
- New Small Starts project
 - Flagstaff, AZ Mountain Links BRT - \$ 6,238,000
 - Los Angeles, CA Livermore-Amador BRT - \$ 7,990,000
 - Los Angeles, CA Wilshire Blvd Bus-Only Lane - \$10,952,330
 - Riverside, CA Perris Valley Line - \$50,000,000
 - San Diego, CA Mid-City Rapid - \$21,650,000
 - Fort Collins, CO Mason Corridor BRT - \$11,182,000

- Fitchburg, MA Commuter Rail Improvements - \$30,000,000
- Portland, OR Streetcar Loop - \$50,000,000
- King County, WA Bellevue - Redmond BRT - \$10,952,330

Explanation of Funding Changes for Capital Investment Grants Less Than \$75,000,000 (Small Starts):

Small Starts	\$99,436,000
Overview:	
The FY 2009 funding level for Small Starts is sufficient to honor all existing, and anticipated capital investment projects that are seeking less than \$75 million in capital investment grant funding.	
Small Starts:	
Funding the Small Starts program at the FY 2009 request will ensure that the Federal Government fulfills its commitment to those small starts currently under Project Construction Grant Agreement (PCGA),” the instrument for providing a multi-year commitment of funding to Small Starts and Very Small Starts. The PCGA is similar to the Full Funding Grant Agreement used to fund New Starts, but is intended to be a simpler agreement. FTA is currently in the process of developing a framework for the PCGA.	

FEDERAL TRANSIT ADMINISTRATION
Proposed FY 2009 Section 5309 New Starts/Small Starts
(Dollars in Millions)

			FY 2009
A. Existing Full Funding Grant Agreements (FFGAs)			<u>Pres. Bud. 1/</u>
AZ	Central Phoenix/East Valley Light Rail	Phoenix	\$91,800,000
CA	Metro Gold Line Eastside Extension	Los Angeles	74,600,000
CO	Southeast Corridor LRT	Denver	1,031,210
DC	Largo Metrorail Extension	Washington	34,700,000
IL	Ravenswood Line Extension	Chicago	30,474,404
MN	Northstar Corridor Rail	Minneapolis-Big Lake	71,166,060
NJ	Hudson-Bergen MOS-2	Northern NJ	1,103,860
NY	Long Island Rail Road East Side Access	New York	219,300,000
NY	Second Avenue Subway Phase 1	New York	277,697,000
OR	South Corridor I-205/Portland Mall LRT	Portland	81,600,000
PA	North Shore LRT Connector	Pittsburgh	670,885
TX	Northwest/Southeast LRT MOS	Dallas	87,974,716
UT	Weber County to Salt Lake City Commuter Rail	Salt Lake City	81,600,000
VA	Norfolk LRT	Norfolk	57,055,734
WA	Central Link Initial Segment	Seattle	28,846,735
Subtotal Existing FFGAs			\$1,139,620,604
 B. Pending Full Funding Grant Agreements			
CO	West Corridor LRT	Denver	\$60,000,000
WA	University Link LRT Extension	Seattle	100,000,000
Subtotal Pending FFGAs			\$160,000,000
 C. Final Design			\$85,000,000
 D. Small Starts Project Development			
AZ	Mountain Links BRT	Flagstaff	\$6,238,000
CA	Livermore-Amador BRT	Livermore	7,990,000
CA	Metro Rapid Bus System Gap Closure	Los Angeles	332,620
CA	Wilshire Blvd Bus-Only Lane	Los Angeles	10,952,330
CA	Perris Valley Line	Riverside	50,000,000
CA	Mid-City Rapid	San Diego	21,650,000
CO	Mason Corridor BRT	Fort Collins	11,182,000
MA	Commuter Rail Improvements	Fitchburg	30,000,000
MO	Troost Corridor BRT	Kansas City	125,200
OR	Streetcar Loop	Portland	50,000,000
OR	Pioneer Parkway EmX BRT	Springfield	296,000
WA	Bellevue-Redmond BRT	King County	10,952,330
WA	Pacific Highway South BRT	King County	281,520
Subtotal Small Starts			\$200,000,000
 E. Other Funding			
Oversight Activities (1%)			\$16,208,289
Ferry Capital Projects (AK or HI)			15,000,000
Denali Commission			5,000,000
 GRAND TOTAL			\$1,620,828,893

1/ Totals may not add due to rounding.

Note: FTA notified the Committees of a budget correction. The request of \$74,600,000 for Los Angeles Metro Gold Line Eastside Extension should be increased to \$81,600,000. The \$85,000,000 requested for Final Design should be reduced to \$78,000,000.

Detailed Justification for Oversight Program (non-add):

Oversight Program (non-add)	FY 2009 Request: \$16,208,289
<p data-bbox="230 321 381 357">Overview:</p> <p data-bbox="230 359 1399 682">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 cost-effectively 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 “...<i>safety, procurement, management and financial compliance reviews, and audits of any recipient of funds...</i>” under the Federal transit assistance programs.</p> <p data-bbox="230 724 1399 903">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>” Additionally, SAFETEA-LU provided for an expanded program of New Starts projects that required additional oversight resources.</p> <p data-bbox="230 945 1399 1186">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. In addition, FTA provides \$2 million annually from this account as an Interagency Agreement to the Department of Transportation’s Office of Inspector General for costs associated with audits and investigations of transit-related issues, including reviews of new fixed guideway systems.</p> <p data-bbox="230 1228 1399 1260">SAFETEA-LU provides for take-downs from the following programs:</p> <ul data-bbox="284 1270 1399 1648" 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 for Elderly Individuals and Persons with Disabilities• 0.5 percent from section 5311 - Formula Grants for Other than Urbanized Area Formula Grants• 0.5 percent from section 5340 – Alternative Transportation in Parks and Public Lands <p data-bbox="230 1690 1399 1795">The FY 2009 President’s Budget includes language to increase the amount available for oversight by applying a 1.0 percent take-down on Job Access and Reverse Commute, New Freedom, and National Research program funding.</p> <p data-bbox="230 1837 1399 1900">In FY 2009, oversight from Capital Investment Grants is \$16.20 million. Oversight from Formula and Bus Grants equals \$63.97 million, and Research and University Research</p>	

Centers equals \$.39 million for a total of \$80.57 million for these programs. A more detailed description of overall oversight program funding is contained in the Formula and Bus Grants account under the Oversight Program section.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Acts, 2008, Public Law 110-161.

Anticipated FY 2008 Accomplishments:

Project Management Oversight – 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 and Before and After study products to New Starts projects.

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

Program and Financing (in millions of dollars)

		2007	2008	2009
Identification code : 69-1121-0-1-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Direct Program Activity	1	...	...
10.00	Total new obligations (object class 41.0).....	1	...	...
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year.....	1		...
23.95	Total new obligations.....	-1	...	...
24.40	Unobligated balance carried forward, end of year ..	...	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year.....	...	1	1
73.10	Total new obligations.....	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 of this account have been funded in the Research and University Research Centers account.

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

Program and Financing (in millions of dollars)

Identification code : 69-1127-0-1-401		2007 Actual	2008 Est.	2009 Est.
Budgetary resources available for obligation:				
24.40	Unobligated balance carried forward, end of year.....	...	...	...
<hr/>				
Change in obligated balances:				
72.40	Obligated balance, start of year.....	5	3	2
73.20	Total outlays (gross).....	-2	-1	-1
74.40	Obligated balance, end of year.....	3	2	1
<hr/>				
Outlays (gross), detail:				
86.93	Outlays from discretionary balances.....	2	1	1
<hr/>				
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	2	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
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

Program and Financing (in millions of dollars)

Identification code : 69-1128-0-1-401		2007 Actual	2008 Est.	2009 Est.
Obligations by program activity:				
01.00	Washington Metro.....	26	...	...
10.00	Total new obligations (object class 41.0).....	26	...	...
Budgetary resources available for obligation:				
22.00	New budget authority (gross).....	26		
23.95	Total new obligations.....	-26	...	...
24.40	Unobligated balance carried forward, end of year.....	...	...	...
New budget authority (gross), detail:				
Discretionary:				
58.00	Spending authority from offsetting collections: Offsetting collections (cash).....	26	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year.....	3	1	1
73.10	Total new obligations.....	26	...	...
73.20	Total outlays (gross).....	-28	...	...
74.40	Obligated balance, end of year.....	1	1	1
Outlays (gross), detail				
86.90	Outlays from new discretionary authority	26	...	...
86.93	Outlays from discretionary balances.....	2	...	...
87.00	Total outlays (gross).....	28	...	...
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources.....	26	...	...
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	2	...	...

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

PROGRAM AND PERFORMANCE

The National Capital Transportation Amendments of 1979 (Stark-Harris) authorized \$1.7 billion in Federal funds to support the construction of the Washington, D.C. Metrorail transit system. The National Capital Transportation Amendments of 1990 authorized an additional \$1.3 billion in Federal funds to complete construction of the planned 103-mile system. The Federal commitment to complete the 103-mile system was fully funded in 1999. No new budget authority is proposed for the Washington, D.C. Metrorail transit system in this account for 2009.

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

Program and Financing (in millions of dollars)

		2007	2008	2009
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.....	...	...	...

MISCELLANEOUS EXPIRED ACCOUNTS

PROGRAM AND PERFORMANCE

This schedule displays program balances that are no longer required.

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

Program and Financing (in millions of dollars)

		2007	2008	2009
Identification code : 69-8191-0-7-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Discretionary grants.....	2	...	...
10.00	Total new obligations (object class 41.0).....	2	...	...
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	7	5	5
23.95	Total new obligations.....	-2	...	...
24.40	Unobligated balance carried forward, end of year	5	5	5
Change in obligated balances:				
72.40	Obligated balance, start of year	125	115	91
73.10	Total new obligations.....	2	...	...
73.20	Total outlays (gross).....	-12	-24	-24
74.40	Obligated balance, end of year.....	115	91	67
Outlays (gross), detail:				
86.93	Outlays from discretionary authority.....	12	24	24
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	12	24	24
Memorandum (non-add) entries:				
93.03	Obligated balance, start of year: Contract Authority.....	-38	-38	-38
93.04	Obligated balance, end of year: Contract Authority.....	-38	-38	-38

Trust Funds

DISCRETIONARY GRANTS

(HIGHWAY TRUST FUND, MASS TRANSIT ACCOUNT)

PROGRAM AND PERFORMANCE

In 2009, no additional liquidating cash is requested to pay previously incurred obligations in the Discretionary Grants account.

FORMULA AND BUS GRANTS
(LIQUIDATION OF CONTRACT AUTHORITY)
(LIMITATION ON OBLIGATIONS)
(HIGHWAY TRUST FUND)
[(including rescission)]

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, [~~\$6,855,000,000~~] *\$8,670,000,000* 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 [~~\$7,767,887,062~~] *\$8,360,565,000* in fiscal year [2008: *Provided further*, That of the funds available to carry out the bus program under section 5309 of title 49, United States Code, which are not otherwise allocated under this act or under SAFETEA-LU (Public Law 109-59), not more than 10 percent may be expended in furtherance of the Department of Transportation's "National Strategy to Reduce Congestion on America's Transportation Network" issued May, 2006 by Secretary of Transportation, the Honorable Norman Mineta; also known as the "Congestion Initiative" or any other new highway congestion initiative: *Provided further*, That ~~\$28,660,920~~ in unobligated balances are rescinded] *2009.*(*Department of Transportation Appropriations Act, 2008.*)

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

Program and Financing (in millions of dollars)

Identification code : 69-8350-0-7-401	2007 Actual	2008 Est.	2009 Est.
Obligations by program activity:			
00.01	5,285	4,086	5,354
00.02	1,547	1,309	1,770
00.03	402	1,188	1,770
00.04	6	11	13
00.05	16	46	61
00.06	153	88	119
00.07	669	950	1,208
00.08	16	33	39
00.09	17	32	40
10.00	8,111	7,743	10,108
Budgetary resources available for obligation:			
21.40	3,657	3,818	3,814
22.00	8,240	7,739	8,361
22.10	Resources available from recoveries of prior		
	34	...	...
22.21	-2	...	...
23.90	11,929	11,557	12,175
23.95	-8,111	-7,743	-10,108
24.40	3,818	3,814	2,067
New budget authority (gross), detail:			
Discretionary:			
40.26	4,660	6,855	8,670
40.49	-4,896	-6,855	-8,670
41.00	-11	...	...
42.00	247	...	...
43.00	...	...	...
Mandatory:			
66.10	7,263	7,873	8,361
66.35	...	-105	...
66.36	...	-29	...
66.61	-11	...	...
66.62	988	...	...
66.90	8,240	7,739	8,361
70.00	8,240	7,739	8,361

(Continued on next page)

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

Program and Financing (in millions of dollars)

(Continued from previous page)

		2007	2008	2009
Identification code : 69-8350-0-7-401		Actual	Est.	Est.
Change in obligated balances:				
72.40	Obligated balance, start of year.....	2,790	6,673	8,179
73.10	Total new obligations.....	8,111	7,743	10,108
73.20	Total outlays (gross).....	-4,194	-6,237	-7,225
73.45	Recoveries of prior year obligations	-34	...	...
		-----	-----	-----
74.40	Obligated balance, end of year.....	6,673	8,179	11,062
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	1,766	1,942	1,839
86.93	Outlays from discretionary balances.....	2,428	4,295	5,386
		-----	-----	-----
87.00	Total outlays (gross).....	4,194	6,237	7,225
Net budget authority and outlays:				
89.00	Budget authority.....	8,240	7,739	8,361
90.00	Outlays.....	4,194	6,237	7,225
Memorandum (non-add) entries:				
93.01	Unobligated balance, start of year: Contract Authority.....	1,909	1,369	747
93.02	Unobligated balance, end of year: Contract Authority.....	1,369	747	...
93.03	Obligated balance, start of year: Contract Authority.....	2,789	6,673	8,179
93.04	Obligated balance, end of year: Contract Authority.....	6,673	8,179	8,617

FORMULA AND BUS GRANTS

PROGRAM AND PERFORMANCE

For 2009, all programs within the Formula and Bus Grant account are funded from the Mass Transit Account of the Highway Trust Fund.

Formula and Bus Grants are funded by contract authority provided in SAFETEA-LU (Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users) P.L. 109-59. Formula Grant funds can be used for all transit purposes including planning, bus and railcar purchases, facility repair and construction, maintenance and where eligible, operating expenses. These funds help existing transit systems alleviate congestion, ensure basic mobility, promote economically vibrant communities and meet the requirements of the Americans with Disabilities Act (ADA) and the Clean Air Act (CAA).

Urbanized Area Formula.- \$4,552.3 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. Urbanized Area Formula includes funding for the Growing States and High Density States Formula Programs which are distributed to the Urbanized and Nonurbanized Area Formula programs using separate factors.

Fixed Guideway Modernization.- \$1,666.5 million for 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 ensure that the Nation's older fixed guideway systems continue to meet the transportation needs of the communities they serve.

Bus and Bus Facility Grants.- \$984 million to provide investments in bus and bus-related capital projects that enhance the efficiency and safety of the nation's bus systems.

State Administered Programs.- \$928.6 million. Nonurbanized Area Formula - \$538.1 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 \$9.3 million for the Rural Transportation Assistance Program. Nonurbanized Area Formula includes funding for the Growing States Program. Formula Grants for Elderly and Individuals with Disabilities - \$133.5 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. Job Access and Reverse Commute - \$164.5 million, to be apportioned to the States by formula to provide grants to non-profit organizations and local transit agencies to fund transportation services in urban, suburban and rural areas to assist

welfare recipients and low-income individuals to access employment opportunities. New Freedom Program - \$92.5 million, to be apportioned by formula to provide additional tools to overcome significant barriers facing Americans with disabilities seeking access to jobs and integration into the workforce.

Planning.- \$113.5 million to fund metropolitan and statewide planning activities.

Over-the-Road Bus Accessibility Program.- \$8.8 million for the Rural Transportation Accessibility Incentive Program. Funding will assist operators of over-the-road buses in financing the incremental capital and training costs of complying with the Department of Transportation's final rule regarding disabled accessibility of over-the-road buses required by the ADA.

Clean Fuels Grant Program.- \$51.5 million to provide financing for the purchase or lease of clean fuel buses and bus facilities and the improvement of existing facilities to accommodate these buses. This includes buses powered by compressed natural gas, biodiesel fuels, batteries, alcohol-based fuels, hybrid electric, fuel cell and certain clean diesel (up to 25 percent of grants annually), and other low or zero emissions technology.

Alternatives Analysis Program.- \$25 million provided for transit projects in the early stage of development and to investigate transit alternatives to solving local transportation problems.

Alternative Transportation in Parks and Public Lands.- \$26.9 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).- \$3.5 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 was renamed in 2006 from Trust Fund Share of Expenses consistent with the account restructuring in SAFETEA-LU.

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

Object Classification (in thousands of dollars)

		2007	2008	2009
Identification code : 69-8350-0-7-401		Actual	Est.	Est.
Direct obligations:				
25.2	Other services.....	60,950	67,705	74,930
41.0	Grants, subsidies, and contributions.....	8,050,017	7,674,823	10,032,745
99.9	Total new obligations.....	8,110,967	7,742,528	10,107,675

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**STATUS OF THE MASS TRANSIT ACCOUNT OF THE HIGHWAY TRUST FUND
(in millions of dollars)**

	2007 Actual	2008 Est.	2009 Est.
Unexpended balance, start of year.....	6,223	7,306	6,352
Cash income during the year			
Governmental receipts, Motor fuel taxes.....	5,054	5,011	5,082
Federal Highway Administration transfers (net)	234	296	217
	-----	-----	-----
Total annual cash income.....	5,288	5,307	5,299
	=====	=====	=====
Cash outlays during the year:			
Discretionary Grants	12	24	24
Formula and Bus Grants.....	4,194	6,237	7,225
	-----	-----	-----
Total annual outlays.....	4,206	6,261	7,250
	=====	=====	=====
Repayable advance to the Highway Account.....	0	0	3,193
Unexpended balance, end of year.....	7,306	6,352	1,209

Note.- -A Correction will be made to this page in the next update to the Budget Appendix.

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

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

	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request	FY 2008 to FY 2009 Change	FY 2008 to FY 2009 Change, %
Urbanized Area Formula Grants ^{1/3/}	\$3,946,909	\$4,280,002	\$4,552,281	\$272,278	6.4%
Fixed Guideway Modernization	1,448,000	1,570,000	1,666,500	96,500	6.1%
Bus and Bus Facility Grants ^{2/3/}	881,779	823,053	984,000	160,947	19.6%
Over-the-Road Bus Accessibility	7,600	8,300	8,800	500	6.0%
Clean Fuels Grant Program ^{2/}	18,721	49,000	51,500	2,500	5.1%
Planning Programs	99,000	107,000	113,500	6,500	6.1%
Formula Grants for Special Needs for Elderly Individuals and Individuals with Disabilities ^{3/}	117,000	127,000	133,500	6,500	5.1%
Formula Grants for Other Than Urbanized Area ^{1/3/}	467,266	506,841	538,084	31,244	6.2%
Job Access and Reverse Commute Formula Program	144,000	156,000	164,500	8,500	5.4%
New Freedom Program	81,000	87,500	92,500	5,000	5.7%
National Transit Database Alternative Analysis Program	3,500	3,500	3,500	0	0%
Alternative Transportation in Parks and Public Lands	<u>23,000</u>	<u>25,000</u>	<u>26,900</u>	<u>1,900</u>	<u>7.6%</u>
Total - Formula and Bus Grants	\$7,262,775	\$7,767,887	\$8,360,565	\$592,678	7.6%

^{1/} Includes funding for the Growing States and High Density States Formula programs, distributed in accordance with the provisions in P.L. 109-59.

^{2/} FY 2007 reflects \$26,279,000 transferred from the Clean Fuels Program to the Bus and Bus Facility Grants program.

^{3/} Does not include "flex funds" transferred from Federal Highway Administration.

Program and Performance Statement:

This account provides the necessary resources to support Formula and Bus Grant activities and to help achieve the Department's performance goals of increasing transit ridership, improving the average condition of bus and rail fleets, improving access to public transportation for physically challenged individuals, and making transit safer.

Formula grants provide a stable and reliable source of funding for capital and preventive maintenance activities that help maintain the condition of federally funded capital assets.

FORMULA AND BUS GRANTS

Summary Analysis of Change from FY 2008 to FY 2009 Appropriation, Obligation Limitation, and Exempt Obligations (\$000)

Item	Change From FY 2008 to FY 2009	FY 2009 PC&B By Program	FY 2009 FTEs By Program	FY 2009 Contract Expenses	Total
FY 2008 Base (Enacted Level)					
Formula and Bus Grants Appropriation, Obligation Limitation, and Exempt Obligations					\$7,767,887
Adjustments to Base					
Urbanized Area Formula Grants	\$272,278				
Fixed Guideway Modernization	96,500				
Bus and Bus Facility Grants	160,947				
Over-the-Road Bus Accessibility	500				
Clean Fuels Grant Program	2,500				
Planning Programs	6,500				
Formula Grants for Special Needs for Elderly Individuals and Individuals with Disabilities	6,500				
Formula Grants for Other Than Urbanized Areas	31,244				
Job Access and Reverse Commute Formula Program	8,500				
New Freedom Program	5,000				
National Transit Database	0				
Alternative Analysis Program	309				
Alternative Transportation in Parks and Public Lands	1,900				
Subtotal, Adjustments to Base					592,678
New or Expanded Programs					
Subtotal, New or Expanded Program Increases/ Decreases					
Total FY 2009 Request					\$8,360,565

Detailed Justification for Urbanized Area Formula Grants:

Urbanized Area Formula Grants

FY 2009 Request: \$4,552,280,553

Overview:

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, thereby supporting the ridership goal.

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 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.

With passage of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy For Users (SAFETEA-LU), 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. Also included in SAFETEA-LU are eligible expenses related to the establishment of a debt service reserve, made up of deposits with a bondholder's trustee, to ensure the timely payment of principal and interest on bonds issued by a grant recipient to finance an eligible project. 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.

Urbanized Area Formula includes funding for the Growing States and High Density States programs. These programs distribute funds to the Urbanized Area Formula and Other-Than-Urbanized Area Formula programs under new factors. Growing States funding is made available under a formula based on population forecasts for 15 years beyond the most recent Census; amounts apportioned for each state are then distributed between urbanized areas and rural areas based on the ratio of urban/rural population

within each state. The High Density States program distributes the other half of the funds to states with population densities in excess of 370 persons per square mile. These funds are apportioned only to urbanized areas within those states.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

- An estimated 1,980 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 an average transit vehicle condition in the "adequate" range.

FY 2009 Budget Request:

The Urbanized Area Formula request for FY 2009 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, economic, and environmental benefits of public transportation. The FY 2009 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 Enhancements.* Grantees certify that at least one percent of each urbanized area's apportionment must be used for transit enhancements under the Urbanized Area Formula Program for areas 200,000 and above in population, as required by the Transportation Equity Act of the 21st Century and continued in SAFETEA-LU. A grantee must submit an annual report on transit enhancement projects to FTA. The term "transit enhancement" includes projects that are designed to enhance mass transportation service or use, and are physically or functionally related to transit facilities. Eligible projects under this program include: (1) historic preservation, rehabilitation, and operation of historic mass transportation buildings, structures, and facilities (including historic bus and railroad facilities); (2) bus shelters; (3) landscaping and other scenic beautification, including tables, benches, trash receptacles, and street lights; (4) public art; (5) pedestrian access and walkways; (6) bicycle access, including bicycle storage facilities and installing equipment for transporting bicycles on mass transportation vehicles; (7) transit connections to parks within the recipient's transit service area; (8) signage; and (9) enhanced access for persons with disabilities to mass transportation.

- *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 2004) indicate that 69 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	\$272,278,388
Overview:	
<p>The FY 2009 increase from FY 2008 for this program is due to additional improvements in bus and bus related facilities, as well as replacement and rehabilitation of maintenance facilities. The FY 2009 funding request will ensure that Federally funded capital assets (primarily buses) 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 these improvements, replacements, rehabilitations, and transit enhancements, thereby increasing the possibility of inefficient, unsafe, and costly transit services.</p>	
Program Results:	
<p>In FY 2005, FTA completed an assessment of its formula grants program using the OMB’s Program Assessment Rating Tool (PART). The results of the PART demonstrated that the formula grants program is effective in increasing ridership and improving the accessibility to public transportation for physically challenged individuals.</p>	

Detailed Justification for Fixed Guideway Modernization:

Fixed Guideway Modernization	FY 2009 Request: \$1,666,500,000
Overview:	
<p>The Fixed Guideway Modernization program supports any fixed guideway, 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 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.</p>	

As of FY 2004, there were 120,659 active urban transit vehicles, 10,892 miles of track, 2,961 stations, and 793 rail maintenance facilities. Recent data suggests that the conditions of the Nation's rail structures, track and yards have improved or are better than previously estimated. Rail maintenance facilities in adequate or better condition increased from 80 percent in 2002 to 92 percent in 2004.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

Based on FY 2004 reporting data, the average rail vehicle condition was 3.5. While average rail vehicle conditions normally range between 3.0 (adequate) and 4.0 (good), anything lower than 3.0 would be less than adequate. FTA expects some fluctuations will occur in transit vehicle conditions as a normal part of the deterioration and replacement process. With this budget request, FTA's goal is to continue to maintain the average condition of rail vehicles between the adequate and good levels. A substantial increase in public investment to reach the 4.0 level would not be cost effective, as it would require an overly ambitious replacement policy where vehicles are replaced prior to the FTA-mandated minimum replacement age.

FY 2009 Budget Request:

Fixed Guideway Modernization funding provides for cyclical replacement and rehabilitation needs and for construction of facilities for the Nation's older rail and bus transit fixed guideway systems. FTA is interested in increasing the capacity of the existing infrastructure. A couple of ways to accomplish this are: 1) standardization of rolling stock; and 2) improvement of signal technology.

Standardization of rolling stock: instituting model performance and technical specifications for rail cars and buses would bring more competition to vehicle procurements, lower costs, improve quality, and speed deliveries. While past standardization efforts failed to take hold in the transit industry because of system preferences such as distinctive vehicle appearance, FTA will spearhead a renewed effort to standardize, rail cars and buses. Standardization is a concept that will allow interchangeability, allow proven designs to be applied several times at different properties, and will maintain the flexibility to continuously test and incorporate more advanced and cost-effective technologies.

Improved signal technology: revolutionizing transit signal and train control will allow for increased throughput and decreased headways without compromising safety. Signal technology known as "moving-block" or "communication-based" train control allows vehicles to be continuously aware of the position and speed of preceding and following vehicles. Implementing this technology would mean abandoning the old "track circuits" methodology.

Maintenance and improvement of the Nation’s transit system carries with it a significant return on investment of Federal funds. Below are examples of actual return on investment from rail modernization funding.

- The Massachusetts Bay Transit Authority’s rehabilitation of a six-mile segment of Red Line track in Boston reduced headways from six to five minutes, allowing 6-car trains to replace 4-car trains, and improving seating capacity and travel time. The total capital, operation, and maintenance costs of the project for a 30-year period are estimated to be \$188.3 million. The internal rate of return for the project over the same time frame is estimated to be almost 39 percent annually, for a total of \$3.3 billion in cost savings, yielding a benefit to cost ratio of 17.6 to 1.0 based on reduced congestion.
- The Chicago Transit Authority made a major rail station more accessible and increased its ridership through a modernization project that involved instituting an electronic fare collection system and a new, more accessible entrance to the station adjacent to a university. The cost of this project over a 30-year period is projected to be \$53 million, compared to a savings of \$2 billion, yielding a benefit to cost ratio of about 38 to 1 based on reduced congestion.

As these examples reflect, FY 2009 funding supports the continued enhancement of fixed guideway systems throughout the country, thus prolonging their available use and ensuring safe, reliable services to more riders.

Explanation of Funding Changes for Fixed Guideway Modernization:

Fixed Guideway Modernization	\$96,500,000
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Overview:

Funding for the fixed guideway modernization activity maintains and improves the conditions of the Nation’s older fixed guideway systems. The FY 2009 increase over FY 2008 for this program will ensure that the Nation’s fixed guideway systems continue to improve and remain a reliable means of transit.

Program Results:

In FY 2005, FTA completed an assessment of its formula grants program using OMB’s PART. The results of the PART demonstrated that the formula grants program is effective in increasing ridership, and aids in providing safe and reliable public transportation.

Detailed Justification for Bus and Bus Facility Grants:

Bus and Bus Facility Grants

FY 2009 Request: \$984,000,000

Overview:

The bus and bus facility grants program makes funding available to finance bus and bus-related capital projects that enhance the nation's transit systems. Recipients of bus and bus-related funding include public transit authorities themselves, as well as states, municipalities, other public agencies of states, and some boards, commissions, and public organizations that are established under state law, and, as sub-recipients, certain non-profit organizations that provide transportation services.

Eligible funding purposes include acquisition of buses for fleet and service expansion, bus maintenance and administrative facilities, transfer facilities, bus malls, transportation centers, intermodal terminals, park-and-ride stations, acquisition of replacement vehicles, bus rebuilds, bus preventative maintenance, passenger amenities (passenger shelters, bus stop signs), accessory and miscellaneous equipment such as mobile radio units, supervisory vehicles, fare boxes, computers, shop and garage equipment, and costs incurred in arranging innovative financing for eligible projects.

In service on U.S. streets today are approximately 50,000 transit buses which have been purchased in part with funds distributed by FTA. On average, FTA grantees purchase each year more than 4,000 buses, of which approximately 20 percent are acquired in part with Federal assistance provided under the Section 5309 Bus and Bus-Related Facilities Discretionary Grant Program (the "Bus and Bus Facilities Program").

Between 1997 to 2006 total motor bus directional route miles increased by 22.6 percent. Additional funding for bus and bus-related facilities will continue to make buses a safe and reliable mode of transportation. As the number of annual bus route miles and annual bus passengers increases, additional funding will enhance the conditions, performance, and efficiency of the buses in service.

In FY 2008, Congress provided \$823 million for Bus and Bus Facilities projects under the Consolidated Appropriations Act, 2008, P.L. 110-161. A total of \$497.7 million funded high priority projects designated in SAFETEA-LU. FTA believes that strategic investment of the bus resources is important in addressing congestion in the nation's metropolitan areas. In FY 2009, FTA plans to use \$984 million to finance bus and bus-related capital projects, which enhance the efficiency and safety of the nation's transit systems. In addition, these funds will be used to acquire or rehabilitate buses to include biodiesel or hybrid electric propulsion systems to further reduce pollution in our most congested urban areas.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

FY 2009 Budget Request:

The budget request for bus and bus-related facilities for FY 2009 is \$984 million. Ninety percent of all urbanized areas in which transit is provided only have bus service. Transit operators continue to replace overage vehicles thus providing safer and more reliable means of transportation. Construction and rehabilitation of bus facilities ensures proper maintenance and safety for transit system employees.

SAFETEA-LU established the following programs within the Bus and Bus facilities category:

- *Ferry Boat Systems (Section 5307(m)(7)(A))* - \$10,000,000 each year for ferry boats or ferry terminal facilities.
- *Fuel Cell Bus Program (Section 5309(m)(7)(B))* - \$13,500,000 for the national fuel cell bus technology development program.
- *Projects Not in Urbanized Areas (Section 5309(m)(7)(C))* - \$54,120,000 (5.5%) for projects not in urbanized areas.
- *Intermodal Terminals (Section 5309(m)(7)(D))* - \$35,000,000 for intermodal terminal projects, including the intercity bus portion of such projects.
- *Bus Testing Facility (Section 5318)* - \$3,000,000 to support the bus testing facility located in Altoona, Pennsylvania.

To achieve our goal of assuring that transit service remains safe, clean and reliable, there must be continuous recapitalizing of this investment by replacing overage vehicles and assuring that bus facilities remain in proper condition. Nationally, 69 percent of the Nation's bus maintenance facilities are presently in "good" or better condition. The requested funding would lower operating cost requirements through improved efficiencies, and funds would also be available for necessary bus and bus-facility investments.

In FY 2009, FTA plans to follow a competitive methodology to distribute the portion of the \$984 million in bus and bus facilities funding not statutorily allocated in SAFETEA-LU. A notice will invite proposals addressing a number of FTA priorities for the Bus and Bus Facilities program, including replacement of over-aged buses, fleet expansion to improve service, and bus related facilities. FTA will carefully review all proposals submitted, and rated them based on criteria specified in the notices of funding availability. FTA will make decisions based on strategic investment of the bus resources in these projects that will demonstrate the important role of transit in addressing congestion and ultimately lead to more support for transit in all areas.

FTA will give special consideration to applications that address the following priority areas that FTA has established for the discretionary Bus and Bus Facilities program:

- Fleet replacement needs that cannot be met with formula funds.
- Fleet expansion that allows significant service increase and/or improvements and/or operating efficiencies.
- Facility construction or renovation to support increased service or introduction of clean fuels.

- Strategic investments in rural areas where formula funding is inadequate.
- Purchase of clean fuel vehicles, including alternative fueled, hybrids (electric and diesel powered).
- Intermodal terminal projects that include intercity bus providers.

Explanation of Funding Changes for Bus and Bus Facility Grants:

Bus and Bus Facility Grants	\$160,947,038
Overview:	
<p>Funding for this program provides for investments in bus and bus related capital projects that enhance the efficiency and safety of the nation's bus systems. The FY 2009 increase over FY 2008 for this program will ensure that the nation's bus and bus related facilities continue to improve and remain a reliable means of transit.</p> <p>In FY 2008, Division K, Title I, Section 164 of the Consolidated Appropriations Act, P.L. 110-161, offers incentives to transit agencies that acquire or rehabilitate a bus to be used in public transportation shall be funded for 90 percent of the net capital costs of a biodiesel system or a factory-installed or retrofitted hybrid electric propulsion system and any equipment related to such a system. Similar language offering incentives to transit agencies that purchase or rehabilitate biodiesel and hybrid-electric vehicles is proposed in FY 2009, although allowing a 100 percent match of the biodiesel or hybrid-electric propulsion system.</p> <p>This incentive was originally proposed in the President's FY 2008 Budget and is in response to the 2006 Congressional conferees' request that FTA encourage and incentivize deployment of new low emission technology, including hybrid electric buses.¹ Hybrid-electric drive bus technologies are recognized as an appealing clean fuel option, with good performance, low emissions, and lower fuel costs. The FTA hybrid-electric program intends to develop a comprehensive approach to addressing existing barriers and challenges to the adoption and deployment of new low emission technology by a greater number of the nation's transit agencies. The costs of clean fuels, electric drive and hybrid buses is improving but still significantly higher than purely diesel powered buses.</p>	

Detailed Justification for Over-the-Road Bus Accessibility Program:

Over-the-Road Bus Accessibility Program	FY 2009 Request: \$8,800,000
Overview:	
<p>The Over-the-Road Bus Accessibility Program assists operators of over-the-road-buses in financing the incremental capital and training costs of complying with the DOT's final rule on accessibility of over-the-road-buses, as required by the 1990 ADA. Approximately 75 percent of Over-the-Road Bus funding is spent on intercity fixed-</p>	

¹ Joint Explanatory Statement of the Committee of Conference for the Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act of 2006 (H.R. 3058); and the House Appropriations Committee Report (H.R. 109-153).

route providers, while the remaining 25 percent is spent on other providers (charter, tour, commuter, etc.).

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

FTA met the bus performance target for compliance with the ADA. The bus fleet continues to become more accessible as older vehicles are replaced with those that are lift-equipped or have low floors. The overall rate of increase in bus accessibility has slowed somewhat since many of the buses replaced were already lift-equipped. While all new buses are lift-equipped or have low floors, it will be difficult to reach 100 percent compliance in the short-term because many transit operators retain buses for more than twenty years. Funds available under this program contribute to the overall achievement of nationwide fleet accessibility.

FY 2009 Budget Request:

The FY 2009 budget request of \$8.8 million for the Over-the-Road Bus Program is justified in that ensuring buses are ADA compliant is not only fiscally responsible, but it is socially responsible also. In addition, providing ADA-compliant transit services to persons with disabilities in all areas is consistent with the Department-wide goal of increasing ridership for all transit users.

Explanation of Funding Changes for Over-the-Road Bus Accessibility Program:

Over-the-Road Bus Accessibility Program	\$500,000
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Overview:

Funding for this program assists operators of over-the-road-buses in financing the incremental capital and training costs of complying with the DOT's final rule on accessibility of over-the-road-buses, as required by the 1990 ADA. The FY 2009 increase over FY 2008 for this program will ensure that FTA continues to fulfill all DOT and ADA requirements.

Detailed Justification for Clean Fuels Grant Program:

Clean Fuels Grant Program	FY 2009 Request: \$51,500,000
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Overview:

The Clean Fuels Formula Program provides financing for the purchase or lease of clean fuel buses and facilities, and the improvement of existing facilities to accommodate

these buses. This includes those buses powered by compressed natural gas, biodiesel fuels, batteries, alcohol-based fuels, hybrid electric, fuel cell, and certain clean diesel (up to 25 percent of grants annually) and other low or zero emissions technology that the Environmental Protection Agency has certified sufficiently reduces harmful emissions. These buses should be used in non-attainment areas and areas trying to maintain compliance with clean air standards. In addition, buses built with lightweight composite materials also may be qualified as a clean fuels bus for this program. Grants would be made by the Secretary.

The Transportation Equity Act for the 21st Century (TEA-21), enacted June 1998, required the FTA to establish the Clean Fuels Formula Grant Program designed to assist communities in non-attainment and maintenance areas in achieving or maintaining the National Ambient Air Quality Standards for ozone and carbon monoxide (CO). Additionally, the program supports emerging clean fuel and advanced propulsion technologies for transit buses and markets for those technologies. During the TEA-21 authorization period the program was unfunded as the funds were transferred in appropriations acts to the Bus and bus facilities program.

The SAFETEA-LU authorization changed the grant program from a formula-based program to a discretionary grant program. On April 30, 2007, FTA's rulemaking on the Clean Fuels Program became effective incorporating program changes in SAFETEA-LU.

Clean Fuels Grant Program funds have a direct impact on the President's goals to reduce this country's dependence on gasoline and reduce greenhouse gas emissions. This program can contribute to reaching the President's "Twenty in Ten" Goal by increasing the number of clean fueled buses and transit vehicles nationwide.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

The clean fuels program provides funding for clean fuel buses and facilities and the improvement of existing facilities to accommodate these buses. This includes those buses powered by compressed natural gas, biodiesel fuels, batteries, alcohol-based fuels, hybrid electric, fuel cell, and certain clean diesel (up to 25 percent of grants annually).

The Consolidated Appropriations Act, 2008, provides \$49,000,000 to the Clean Fuels Grant Program (49 U.S.C. 5308). SAFETEA-LU earmarked \$20,247,000 for specific Clean Fuel projects. The balance of \$28,753,000 will be awarded competitively.

FY 2009 Budget Request:

The FY 2009 request of \$51.5 million would provide for the purchase of clean fuels buses, including clean diesel vehicles (up to 25 percent of grants annually) in certain non-attainment areas and areas trying to maintain compliance with clean air standards. Grants will be made by the Secretary.

Explanation of Funding Changes for Clean Fuels Grant Program:

Clean Fuels Grant Program	\$2,500,000
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Overview:

The \$2.5 million increase over FY 2008 reflects the obligation limitation on additional program funding authorized under SAFETEA-LU for FY 2009.

Clean Fuels Grant Program funds have a direct affect on meeting the President’s goals to reduce this country’s dependence on gasoline and reduce greenhouse gas emissions.

This program can contribute to America reaching the President’s “Twenty in Ten” Goal by increasing the number of clean fueled buses and transit vehicles nationwide.

Detailed Justification for Planning Programs:

Planning Programs	FY 2009 Request: \$113,500,000
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Overview:

The funds requested for Metropolitan and Statewide Planning help make possible 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. These funds will allow FTA to focus on professional capacity building for Federal, state, and local officials by providing appropriate training.

With funding from FTA and the Federal Highway Administration (FHWA), the metropolitan and statewide planning programs support the work of Metropolitan Planning Organizations (MPOs), State DOTs, and transit operators, required to carry out Federal statutory transportation planning requirements as a condition of Federal assistance for most mass transportation and highway projects. Planning documents must be multi-modal and stress the interconnectivity of the transportation network.

The success of transit capital investments is dependent largely on the planning that precedes them. The cost-effectiveness of transit (and highway) projects thus depends on a coordinated, comprehensive, and cooperative planning process, because it is during this process that transportation problems are analyzed, potential solutions are identified and evaluated, and cost-effective transportation alternatives are recommended for funding. The planning provisions of SAFETEA-LU “connect” programs and decision-making processes within FTA, across DOT, and across non-DOT programs. FTA is implementing a number of key features such as:

- Promoting consistency of transportation decisions with planned growth and development;

- Considering environmental issues and transportation security explicitly in transportation decision-making; and
- Working closely with citizens through visualization techniques, posting documents for review in electronic formats, and annually publishing a list of projects for which funds had been obligated in the prior year – with attention to bicycle and pedestrian projects;

The MPO's and State DOT's use funds for planning activities to support over \$8 billion in annual capital transit projects in 467 urbanized areas (UZA) in the 50 States, Puerto Rico, and the District of Columbia. Additional resources support planning for FTA capital grants that will be made to rural transit operators and Tribal governments.

FTA allocates Metropolitan Planning funds to States according to a statutory formula. Eighty percent of the funds are distributed to States as a basic allocation based on each state's population in the UZA, as designated by the Census Bureau. The remaining 20 percent is provided to States as a supplemental allocation based on an FTA administrative formula that addresses planning needs in the larger, more complex UZA's. State planning funds are allocated by a formula that is based on information received from the latest decennial census and on the state's UZA population compared to the UZA population of all states. However, a state must receive at least 0.5 percent of the amount apportioned under this program.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

- The planning requirements of SAFETEA-LU require the Metropolitan Planning Organizations and the states to incorporate new provisions to their transportation plans and programs at the metropolitan and State level.
- Metropolitan and statewide planning programs are jointly funded by FTA and FHWA, with program guidance, oversight, and implementation being carried out on a joint basis with FHWA. Therefore, current rulemaking, as well as our advisories to the field office, have been prepared jointly with FHWA.

It is important to maintain consistency between the planning provisions and several other FTA programs that are being implemented on similar tracks, such as New Starts/Small Starts, Human Service Transportation Coordination, Tribal Transit, Transit in the Parks, etc.

FY 2009 Budget Request:

For FY 2009, FTA requests a total of \$113.5 million for Metropolitan and Statewide Planning. Funding is requested for the implementation of the expanded analytic,

environmental, transportation air-quality conformity, and evaluative work necessary to ensure that Federal and other transportation investments are cost-effective. Funding will support planning goals under FTA's Ridership and Accessibility strategic goals by helping states, MPOs, and transit operators develop and maintain transit systems that are accessible, efficient, and that offer flexibility of choice.

Metropolitan Planning, 49 U.S.C. Section 5303.

In FY 2009, \$93.9 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.

Every four to five years, each MPO is required to develop and update a metropolitan long-range Transportation Improvement Plan (TIP) covering a period of at least 20 years. New Starts projects and other major facilities projects may be identified from corridor or other capital studies carried out as part of the metropolitan transportation planning process. In addition, the MPO, in cooperation with the state and affected transit operators, must develop a TIP for the metropolitan planning area, and provide interested parties an opportunity to comment on the proposed TIP. The TIP must be updated at least once every 2 years and must be approved by the MPO and the governor of the state.

Statewide Planning, 49 U.S.C. Section 5304.

A total of \$19.6 million is requested for the Statewide Planning program in FY 2009. These funds are apportioned to states using a statutory formula. Activities funded include transportation planning and technical assistance, planning support for non-urbanized areas, research, development and demonstration projects, fellowships for training in the public transportation field, university research, and human resource development.

Each state is required to develop and periodically update a Statewide Transportation Improvement Plan (STIP), covering a forecast period of at least 20 years. The State must develop its transportation plan in cooperation with the MPOs in the state. In addition, each State must develop a STIP that incorporates the metropolitan TIPs, as well as transportation projects outside the metropolitan planning areas for which the State has responsibility. The STIP is a key product of the planning process, and serves as the official funding document for most FTA and FHWA funded projects. The STIP must be approved by both the FTA and FHWA.

Explanation of Funding Changes for Planning Programs:

Planning Programs	\$6,500,000
Overview: <p>These funds support transportation planning activities and enable regional planning agencies to identify the transportation investments that best meet the needs of the communities they serve and that comply with Federal statutes. In addition, these programs promote a cooperative, continuous, and comprehensive planning program for transportation investment decision-making at the metropolitan and statewide planning level. The increase in funding from FY 2008 to FY 2009 represents the emphasis on planning activities reflected in SAFETEA-LU.</p> <p>By appropriating the requested funds for Metropolitan and Statewide Planning, FTA will be able to continue its efforts to enable communities to develop financially sound, efficient, and flexible transportation choices to millions of Americans. Under-funding this program will inhibit FTA's ability to ensure that Federal and other transportation dollars go to the most cost-effective transit investments, facilities, and services. Performing the necessary analytical, environmental and evaluative work allows FTA to invest scarce Federal resources in the projects with the highest return on investment. In so doing, the agency not only assists in connecting Americans to work, play, and an enjoyable life, but it also indirectly supports the Department's reduced congestion performance goal by providing safe, efficient, and continually reliable service to its users.</p>	

Detailed Justification for Formula Grants for Special Needs for Elderly Individuals and Persons with Disabilities:

Formula Grants for Special Needs For Elderly Individuals and Persons with Disabilities	FY 2009 Request: \$133,500,000
Overview: <p>The goal of this program is to improve mobility for elderly individuals and individuals with disabilities throughout the country. Toward this goal, FTA provides financial assistance for transportation services planned, designed, and carried out to meet the special transportation needs of 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.</p> <p>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. Transit is also important to the 31 million Americans with disabilities who use public transportation. FTA strongly supports the President's commitment to tearing down the barriers to equality that face many Americans with disabilities.</p>	

FTA allocates funds to states by an administrative formula consisting of a \$125,000 floor for each state (\$50,000 for smaller territories) with the balance allocated based on 2000 Census population data for persons aged 65 and over and for persons with disabilities.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 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 system 100 percent lift-equipped, ramp-equipped, or designed with low floors. 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 100% 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 2009 Budget Request:

The FY 2009 budget request for this program is \$133.5 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.

Explanation of Funding Changes for Formula Grants for Special Needs for Elderly Individuals and Individuals with Disabilities:

Formula Grants for Special Needs for Elderly Individuals and Individuals with Disabilities	\$6,500,000
Overview:	
<p>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 2009 increase over FY 2008 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.</p>	
Program Results:	
<p>As part of the FY 2009 budget process, FTA completed an assessment of State Administered Programs using the OMB's PART. Results of this assessment verify that the Elderly and Persons with Disabilities program is effective in meeting the special needs of individuals with disabilities by increasing ridership and improving the accessibility to public transportation for physically challenged individuals.</p>	

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

Formula Grants for Other-Than-Urbanized Areas	FY 2009 Request: \$538,084,447
Overview:	
<p>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.</p> <p>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</p>	

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.

The Non-urbanized Formula includes funding for the Growing States program. This program distributes funds to the Non-urbanized Area Formula program under new factors. Funds are made available under a formula based on population forecasts for 15 years beyond the most recent Census; amounts apportioned for each state are then distributed between urbanized areas and rural areas based on the ratio of urban/rural population within each state.

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. For more information about the Tribal Transit Program.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

- **NTD Reporting.** By law, FTA requires that each recipient under the Section 5311 program submit an annual report to the NTD containing information on capital investments, operations, and service provided with funds received under the Section 5311 program. Section 5311(b)(4), as amended by SAFETEA-LU, specifies that the report should include information on total annual revenue, sources of revenue, total annual operating costs, total annual capital costs, fleet size and type, and related facilities, revenue vehicle miles, and ridership. Reporting of 2006 data was a voluntary state-based rural data module for the NTD that FTA previously developed on in consultation with State Departments of Transportation (DOT). On December 6, 2007, FTA published a final rule regarding the NTD requirements for Section 5311 recipients. The proposed NTD Rural Data Reporting Module manual and reporting instructions for 2007 data was also published for public comment and revised in response to comments received. The final 2007 NTD Rural Data Reporting Module manual and reporting instructions are now posted on the NTD Website, www.ntdprogram.com. For each 5311 subrecipient, the State DOT must complete a one-page form of basic data. NTD reporting year 2007 reports are due on February 29, 2008, for reports whose 2007 Fiscal Year ended on or before

September 30, 2007. The 2007 NTD Reporting deadline will continue to be April 30, 2008, for those reports whose 2007 Fiscal Year ended or will end between October 1, 2007, and December 31, 2007. The NTD deadlines will revert to the standard for FY 2008. The anticipated report due dates are as follows: 2008 Fiscal Year end date: January 1, 2008 – June 30, 2008 report due: October 31, 2008, 2008 Fiscal Year end date: July 1, 2008 – September 30, 2008 report due: January 30, 2009, 2008 Fiscal Year end date: October 1, 2008 – December 31, 2008 report due: May 1, 2009. For full details on NTD reporting and to enter data and receive additional instructions, State DOTs can go to the NTD website www.ntdprogram.gov.

- The Consolidated Appropriations Act, 2008, provides \$438,000,000 to the Nonurbanized Area Formula Program (49 U.S.C. 5311). The total amount apportioned for the Nonurbanized Area Formula Program is \$415,050,000, after take-downs of two percent for the Rural Transportation Assistance Program (RTAP), 0.5 percent for oversight, and \$12,000,000 for the Tribal Transit Program.
- 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 2009 Budget Request:

In FY 2009, FTA is requesting funding of \$538 million for activities under the formula program for non-urbanized areas. The FY 2009 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.

SAFETEA-LU provides a two percent take-down from the Non-urbanized Area Formula program for the Rural Transportation Assistance Program (RTAP). In FY 2009, RTAP will provide \$9.3 million to assist in the design and implementation of training and technical assistance projects, research, and other support services tailored to meet the needs of transit operators in non-urbanized areas. The Public Transportation on Indian Reservations (Tribal Transit Program) is funded at \$15 million in FY 2009.

FTA may not use more than 15 percent of its funding for projects of national interest, such as the Transit Resource Center currently operated by the Community Transportation Association of America. The balance will be allocated to States to provide training and technical assistance resources for all aspects of the restructured formula program.

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

Formula Grants for Other Than Urbanized Areas	\$31,243,612
Overview:	
<p>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 2008 to FY 2009 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 population 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.</p>	
Program Results:	
<p>As part of the FY 2009 budget process, FTA completed an assessment of State Administered Programs using the OMB’s PART. Results of this assessment verify that the Elderly and Persons with Disabilities 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>	

Detailed Justification for Job Access and Reverse Commute Formula Program:

Job Access and Reverse Commute Formula Grants	FY 2009 Request: \$164,500,000
Overview:	
<p>Job Access projects provide new and expanded 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, and to finance operating costs of equipment, facilities and associated support costs related to providing access to jobs. SAFETEA-LU provides funds 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 by 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 meaningful 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.

SAFETEA-LU provides these funds by formula as follows:

- 60 percent of the funds shall be apportioned among designated recipients, defined in section 5307(a)(2) for urbanized areas with a population of 200,000 or more, in the ratio that the number of eligible low-income individuals and welfare recipients in each urbanized area bears to the number of eligible low-income individuals and welfare recipients in all urbanized areas.
- 20 percent of the funds are apportioned among the States based on the number of eligible low-income individuals and welfare recipients in urbanized areas with a population of less than 200,000 in all States; and
- 20 percent of the funds shall be apportioned among the States based on the number of eligible low-income individuals and welfare recipients in non-urbanized areas in each State bears to the number of eligible low-income individuals and welfare recipients in other than urbanized areas in all States.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

In areas that receive JARC funds, the program successfully meets the transportation needs of low-income individuals seeking reliable transportation to employment and related support services. Grantees have used JARC funds for a wide variety of services, ranging from the expansion of fixed route bus systems to the provision of customer information. In each community that received a grant, JARC transportation services have reached new employment sites, making thousands of entry-level jobs and employers accessible for the program’s target populations. New stops have also increased access to critical employment support sites, particularly childcare and job training facilities. The goal for the JARC program is to continue to make more jobs accessible by transit.

FY 2009 Budget Request:

JARC projects promote collaborative planning, operating, and financial partnerships within the existing transportation infrastructure, as well as with human service organizations. As such, the funding request in FY 2009 is \$164.5 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.

In addition to the capital and operating costs that have been eligible under the program, planning is now an eligible expense and will allow States to use up to 10 percent of their annual apportionments for administrative, planning and technical assistance. Funding for these purposes will enhance state and local collaborative planning processes that have been major program objectives and that have resulted in projects with broad community support and sustainability.

Explanation of Funding Changes for Job Access and Reverse Commute Formula Program:

Job Access and Reverse Commute Formula Program	\$8,500,000
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Overview:

The JARC program provides funding for transportation services designed to increase access to jobs and employment-related activities. Job Access projects are those that transport 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. The increase from FY 2008 to FY 2009 is requested to continue the success of the JARC program.

Funding at the requested level will ensure that adequate resources are provided to communities and individuals receiving welfare, as well as low-income persons, for

transportation services to employment and employment support services. Under funding this program would inhibit FTA's ability to provide such services to worthy recipients. In addition, this funding is requested to further improve transit accessibility, one of the Department's performance goals.

Program Results:

As part of the FY 2009 budget process, FTA completed an assessment of State Administered Programs using the OMB's PART. Results of this assessment verify that 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.

Detailed Justification for New Freedom Program:

New Freedom Program	FY 2009 Request: \$92,500,000
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Overview:

The New Freedom Program will 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 address the gaps that exist in transportation services for persons with disabilities. The New Freedom Program would expand the transportation mobility options available to persons with disabilities beyond the minimum required under the ADA.

SAFETEA-LU established the New Freedom Program under 49 U.S.C. 5317, The program purpose is to provide new public transportation services and public transportation alternatives beyond those currently required by the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) that assist individuals with disabilities with transportation, including transportation to and from jobs and employment support services.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

FTA published final guidance on this program in Circular 9045.1 "New Freedom Program Guidance and Application Instructions," on March 29, 2007. The final guidance is to be used in conjunction with the coordinated planning process to fulfill the SAFETEA-LU requirement for having a locally developed public transit-human services transportation plan.

Funding is available for transportation services provided by public, non-profit, or private-for-profit operators. Assistance may be provided for a variety of transportation services and strategies directed at assisting persons with disabilities to address unmet transportation needs. Eligible public transportation services and public transportation alternatives funded under the New Freedom program must be both new and beyond the ADA.

FTA finalized the guidance document for implementing the New Freedom Program on April 1, 2007, and has begun the process of developing oversight requirements. FTA will add questions to the State Management Reviews and Triennial Reviews to assess grantees compliance with the New Freedom program requirements; however, some potential New Freedom grantees could be outside the scope of the referenced reviews. In order to enable FTA to conduct more comprehensive oversight of the New Freedom program in the future, FTA is proposing new authority in the President's FY 2009 Budget to use 1 percent of New Freedom program funding for oversight activities.

FY 2009 Budget Request:

The FY 2009 request of \$92.5 million for the New Freedom Program 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. For example, while JARC grants provide funding for new and expanded transportation service for job-seekers from low-income areas, persons with disabilities are found throughout the community and Job Access funds are insufficient to meet the full range of needs. Similarly, funding for the Elderly Individuals and Individuals with Disabilities program only 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 for New Freedom Program:

New Freedom Program	\$5,000,000
Overview: The \$5 million increase over FY 2008 reflects the obligation limitation for additional program funding authorized under SAFETEA-LU for FY 2009.	

Detailed Justification for National Transit Database:

National Transit Database	FY 2009 Request: \$3,500,000
Overview: To provide a sound basis for the equitable apportionment of FTA funds by legislative formula, the 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 2008 Base: Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.	
FY 2009 Budget Request: FTA requests \$3.5 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 \$6 billion of FTA funds to transit agencies. In addition to being used for FTA's urban formula and fixed-guideway modernization 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 Alternative Analysis Program:

Alternative Analysis Program	FY 2009 Request: \$25,000,000
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Overview:

The Alternative Analysis Program provides \$25 million each fiscal year from FY 2006 through FY 2009 for alternatives analysis for New Starts projects.

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

In FY 2008, FTA solicited proposals to compete for \$12 million in Section 5339 funds to support technical work conducted within an alternatives analysis, in which one of the alternatives is a major transit capital investment. FTA solicited applications for \$12 million in Alternatives Analysis projects in a Federal Register Notice published March 23, 2007. FTA received 36 proposals seeking \$26 million. On August 22, 2007 FTA published a Federal Register Notice, Announcement of Project Selections for FY 2007 Discretionary Programs, Vol. 72, No. 162/ Notice. In this Notice contains funding allocations for 26 projects nationwide of which two projects are associated with Urban Partnership Agreements.

FTA will continue to conduct alternatives analysis studies results to understand the sources of transportation and development 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, shared with the public throughout the study, is necessary when significant local, state and federal funding is being considered for major transit projects.

FY 2009 Budget Request:

The FY 2009 request is \$25 million for alternatives analysis in selected cities for New Starts projects. Studies in selected cities nationwide will determine the best solution to

transportation problems. These studies compare the alternatives ranging from “no-build” to Bus Rapid Transit or other fixed guideway systems.

Explanation of Funding Changes for Alternatives Analysis:

Alternatives Analysis	\$308,900
Overview:	
The \$308,900 increase over FY 2008 restores the Alternatives Analysis program to the level authorized in SAFETEA-LU after a reduction in obligation limitation in the Consolidated Appropriations Act, 2008.	

Detailed Justification for Alternate Transportation in Parks and Public Lands:

Alternative Transportation in Parks and Public Lands	FY 2009 Request: \$26,900,000
Overview:	
<p>The Alternative Transportation in Parks and Public Lands 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.</p> <p>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.</p> <p>FTA is working 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. Program goals, the solicitation process, selection criteria, and the evaluation process have been jointly developed. An interagency technical review committee recommends projects for funding to the DOI, which by law, must make the final selection of projects in consultation and cooperation with the DOT. FTA awarded FY 2006 and FY 2007 grants to local communities and interagency agreements to Federal Land Management Agencies for selected projects. Guidance is available on the FTA website.</p>	

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 Accomplishments:

- The Consolidated Appropriations Act, 2008, makes \$25 million available for the program in FY 2008. Ten percent of the funds are reserved for administration and technical assistance. FTA published a Notice of Funding Availability (NOFA) in the Federal Register on December 13, 2007, inviting applications for projects to be funded in FY 2008. Applications are due to FTA on February 29, 2008.
- The program will continue to fund selected projects in parks and public lands, including capital and planning expenses for alternative transportation systems such as shuttle buses and bicycle trails. Eligible recipients are federal land management agencies, State, local, and tribal governments acting with the consent of a federal land management agency. By law, up to 10 percent of funds can be used for technical assistance, research, and planning to support the program.
- Dozens of national parks and other public lands throughout the country will be able to invest in new ways to move visitors through their facilities thanks to nearly \$40 million in federal funding that has been announced to date by the U.S. Departments of the Interior and Transportation. Interagency agreements have been signed with the U.S. Fish & Wildlife Service, the National Park Service, and the U.S. Forest Service.
- FTA’s planning and policy staff worked closely with federal land management agency representatives to develop a process that would select the most meritorious projects – those that were both strong transportation projects and best met the unique needs of federal lands. A total of 81 proposals were received totaling \$55 million, over twice the amount available, indicating high competition for funds.

The Alternative Transportation in Parks and Public Lands is in the third year of project solicitation. In FY 2006, a total of 78 applicants submitted proposals totaling \$40.5 million, almost twice the amount available for projects, indicating high competition for funds. For FY 2007, a total of 81 proposals were received totaling \$55 million, over twice the amount available, indicating high competition for funds. FTA and DOI will be evaluating proposals for FY 2008 funding to select the most meritorious projects. FTA has funded 46 projects totaling nearly \$20 million dollars.

Explanation of Funding Changes for Alternative Transportation in Parks and Public Lands:

Alternative Transportation in Parks and Public Lands	\$1,900,000
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Overview:

The \$2 million increase over FY 2008 reflects additional obligation limitation for program funding authorized under SAFETEA-LU for FY 2009. 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. Grants will fund 46 different projects in 22 states and Puerto Rico.

Detailed Justification for Oversight Program (non-add):

Oversight Program (non-add)

FY 2009 Request: \$63,972,238

Overview:

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 "...*safety, procurement, management and financial compliance reviews, and audits of any recipient of funds...*" under the Federal transit assistance programs.

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, "...*to provide technical assistance to correct deficiencies identified in compliance reviews and audits carried out under this section.*" 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.

SAFETEA-LU provides for take-downs from the following programs:

- 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 for Elderly Individuals with Disabilities
- 0.5 percent from section 5311 - Formula Grants for Other than Urbanized Area Formula Grants
- 0.5 percent from section 5320 - Alternative Transportation in Parks and Public Lands

FY 2008 Base:

Budgetary resources in this justification reflect the funding levels included in the Consolidated Appropriations Act, 2008, Div K, Title I, P.L. 110-161.

Anticipated FY 2008 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. In addition, in response to recent accidents involving track workers and other maintenance-related issues, FTA authorized new maintenance safety oversight initiatives in its May 8, 2007 “Dear Colleague” letter.
- *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 expects to focus on smaller agencies. This will include agencies that are 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 2009 will be to audit 7 states and 68 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 2009 Budget Request:

In FY 2009, \$63.97 million is available for oversight activities within the Formula and Bus Grants account. Another \$16.2 million in oversight is funded from the Capital Investment Grants account, and \$0.39 million is funded from Research and University Research Centers. The total oversight program level in FY 2009 is \$80.57 million to help FTA ensure that Federal funds are used efficiently and cost-effectively in accordance with applicable laws and regulations.

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.

In order to enable FTA to conduct more comprehensive oversight of its programs in the future, 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 5314 – National Research and Technology
- 1.0 percent of section 5316 - Job Access and Reverse Commute; and
- 1.0 percent of section 5317 - New Freedom Program

This amendment allows the funds to be used for contracts to oversee and conduct necessary enforcement activities involving all Chapter 53 program grants. Oversight of non-traditional grantees including Job Access and Reverse Commute and New Freedom beginning in FY 2009 will allow FTA to assess the value and efficiency of program focused specifically on providing access to employment opportunities for low income individuals and enhanced transportation services for people with disabilities. Oversight of these non-traditional grantees will require a heightened effort to monitor their activities *and* provide them with the training and information to successfully administer federal funds and requirements.

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

Program	FY 2007 Actual ^{1/}	FY 2008 Planned	FY 2009 Planned
Project & Financial Management Oversight	\$56,668	\$51,485	\$55,450
Safety Oversight	5,453	5,658	6,256
Procurement Oversight	1,328	2,470	3,250
Management Oversight	10,913	10,825	13,615
Reimbursement to OIG	2,000	2,000	2,000
TOTAL	\$76,362	\$72,438	\$80,571

^{1/} FY 2007 includes actual obligations.

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		

- 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

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.

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 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"

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 ⁶
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

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	

- 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
(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		

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	

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.

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.

Section 4. Performance Budget

EXHIBIT IV-1
FY 2009 BUDGET REQUEST BY STRATEGIC GOAL AND PERFORMANCE GOAL
FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, & Exempt Obligations
(\$000)

STRATEGIC & PERFORMANCE GOALS by Performance Measure	FY 2007 ACTUAL	1/ FY 2008 ENACTED	FY 2009 REQUEST
1. SAFETY STRATEGIC GOAL			
A. Transit Safety			
a. Transit fatalities per 100 million passenger- miles traveled.	5,476	5,108	6,592
b. Transit injuries per 100 million passenger-miles traveled.	5,476	5,108	6,592
Subtotal Performance Goal	10,952	10,216	13,183
Total – Safety Strategic Goal	10,952	10,216	13,183
2. REDUCED CONGESTION STRATEGIC GOAL			
A. Urban Congestion			
a. Average percent change in transit boardings per transit market.	8,123,974	8,551,330	9,075,561
Subtotal Performance Goal	8,123,974	8,551,330	9,075,561
B. Increased Accessibility			
a. Percent of bus fleets compliant with the ADA.	50,964	111,129	118,153
b. Percent of key rail stations compliant with the ADA.	140	150	150
c. Number of employment sites that are made accessible by Job Access and Reverse Commute transportation services.	144,000	155,980	164,500
d. Other	217,825	178,737	243,935
Subtotal Performance Goal	412,928	445,995	526,737
Total – Reduced Congestion Strategic Goal	8,536,903	8,997,325	9,602,299
3. GLOBAL CONNECTIVITY STRATEGIC GOAL			
A. Reduce Barriers to Trade			
Subtotal Performance Goal	879	790	999
Total – Global Connectivity Strategic Goal	879	790	999
4. ENVIRONMENTAL STEWARDSHIP STRATEGIC GOAL			
A. Reduction in Pollution			
Subtotal Performance Goal	360,030	409,153	439,142
Total – Environ. Stewardship Strategic Goal	360,030	409,153	439,142

5. SECURITY, PREPAREDNESS AND RESPONSE			
A.			
a. Other (emergency preparedness, enhanced public awareness)	42,357	46,795	48,316
Subtotal Performance Goal	42,357	46,795	48,318
Total – Security, Preparedness and Response Strategic Goal	42,357	46,795	48,316
6. ORGANIZATIONAL EXCELLENCE STRATEGIC GOAL			
A. Fulfill the President’s Management Agenda			
a. Average number of days to award FTA grant	2,539	---	---
b. Other (Fulfill the President's Management Agenda)	21,116	27,362	31,468
Subtotal Performance Goal	23,655	27,362	31,468
Total – Org. Excellence Strategic Goal	23,655	27,362	31,468
GRAND TOTAL	8,974,775 2/	9,491,642	10,135,407

1/ Does not include \$35 million in the U.S. Troop Readiness, Veterans’ Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 Pub.L. 110-28.

2/ Does not include flex funding transfers.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

PERFORMANCE OVERVIEW

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:

Formula and Bus Grants Account

Strategic Objective: Safety

Transit fatalities per 100 million passenger-miles traveled	2003	2004	2005	2006	2007	2008	2009
Target	0.492	0.487	0.482	0.477	0.473	0.468	0.463
Actual	0.461	0.467	0.428	0.344	0.286*		

* Preliminary estimate.

Transit injuries per 100 million passenger-miles traveled	2003	2004	2005	2006	2007	2008	2009
Target	36.3	36.0	35.6	35.2	34.9	34.5	34.1
Actual	30.8	35.2	31.8	17.7	22.0*		

* Preliminary estimate.

Strategic Objective: Reduced Congestion

Average percent change in transit boardings per transit market (150 largest transit agencies) 1/	2003	2004	2005	2006	2007	2008	2009
Target	2.0	2.0	1.0	1.0	1.5	1.5	1.9
Actual	0.7	0.7	1.9	2.1	2.0		

1/ Beginning in FY 2007 the average percent change in transit boardings per transit market was no longer adjusted by changes in employment levels.

Percentage of bus fleets that are compliant with the Americans with Disabilities Act (ADA)	2003	2004	2005	2006	2007	2008	2009
Target	89	92	97	97	97	97	98
Actual	93	95	96	97			

* Preliminary estimate.

Percentage of key rail stations that are compliant with the Americans with Disabilities Act	2003	2004	2005	2006	2007	2008	2009
Target	79	89	84	91	93	94	94
Actual	82	82	91	92	92.3		

* Preliminary estimate.

Jobs made accessible by Job Access and Reverse Commute transportation services	2003	2004	2005	2006**	2007	2008	2009
Target	23,500	50,000	50,000	50,000**	50,000**	50,000**	50,000**
Actual	73,700	82,800	95,400	91,200*	95,400*		

* Preliminary estimate.

** FTA has proposed a new performance measure for the JARC program. FTA is developing the baseline for this performance measure to be completed by August, 2007.

Capital Investment Grants Account

Strategic Objective: Reduced Congestion

Average percent change in transit boardings per transit market (150 largest transit agencies) 1/	2003	2004	2005	2006	2007	2008	2009
Target	2.0	2.0	1.0	1.0	1.5	1.5	1.9
Actual	0.7	0.7	1.9	2.1	2.0		

1/ Beginning in FY 2007 the average percent change in transit boardings per transit market was no longer adjusted by changes in employment levels.

Administrative Expenses Account

Strategic Objective: Global Connectivity

Percentage of direct contracts awarded to small businesses	2004	2005	2006	2007	2008	2009
Target	45	45	64	35	35*	35*
Actual	44	64	27			

**Targets are projected to match FY 2007 targets.*

Percentage of direct contracts awarded to disadvantaged business enterprises	2004	2005	2006	2007	2008	2009
Target	13	13	17	14	14*	14*
Actual	1	1	13	11.3**		

**Targets are projected to match FY 2007 targets. ** Preliminary estimate.*

Percentage of direct contracts awarded to women-owned businesses	2004	2005	2006	2007	2008	2009
Target	5	5	27	5	5*	5*
Actual	6	27	7			

**Targets are projected to match FY 2007 targets.*

Strategic Objective: Organizational Excellence

Average number of days to complete grant processing after submission of a completed application	2003	2004	2005	2006	2007	2008	2009
Target	60	36	36	36	36	36	36
Actual	39	30	28	28	29*		

** Preliminary estimate*

Percentage of major FTA Federally-funded infrastructure projects that meet schedule milestones established in project or contract agreements, or that miss them by less than 10%	2003	2004	2005	2006	2007	2008	2009
Target	95	95	95	95	95	95	95
Actual	50	75	100	100			

Percentage of major FTA Federally-funded infrastructure projects that meet cost estimates established in project or contract agreements, or that miss them by less than 10%	2003	2004	2005	2006	2007	2008	2009
Target	95	95	95	95	95	95	95
Actual	75	75	100	100			

Research and University Research Centers Account

Strategic Objective: Safety

Transit fatalities per 100 million passenger-miles traveled	2003	2004	2005	2006	2007	2008	2009
Target	0.492	0.487	0.482	0.477	0.473	0.468	0.463
Actual	0.461	0.467	0.428	0.344	0.286*		

* Preliminary estimate.

Transit injuries per 100 million passenger-miles traveled	2003	2004	2005	2006	2007	2008	2009
Target	36.3	36.0	35.6	35.2	34.9	34.5	34.1
Actual	30.8	35.2	31.8	17.7	22.0*		

* Preliminary estimate.

Strategic Objective: Reduced Congestion

Average percent change in transit boardings per transit market (150 largest transit agencies) 1/	2003	2004	2005	2006	2007	2008	2009
Target	2.0	2.0	1.0	1.0	1.5	1.5	1.9
Actual	0.7	0.7	1.9	2.1	2.0		

1/ Beginning in FY 2007 the average percent change in transit boardings per transit market was no longer adjusted by changes in employment levels.

Detailed performance budget information can be found in Section 4 of the FY 2008 Office of Management and Budget submission.

Program Assessment Rating Tool (PART) Assessment

PART was developed by the Office of Management and Budget to provide a standardized way to assess the effectiveness of the Federal Government's portfolio of programs. The structured framework of PART provides a means through which programs can assess their activities differently than through traditional reviews. The following Federal Transit Administration programs have been assessed via the PART:

Program	PART Cycle	Score	OMB Assessment
Program #1 – New Starts	FY-05	83	Moderately Effective
Program #2 – Formula Programs Section 5307 and 5309	FY-06	92	Effective
Program #3 – Research Programs	FY-08	95	Effective

Program	PART Cycle	Score	OMB Assessment
Program #4 – State Administered Formula Programs	FY-09	85	Effective

New Starts Analysis

The Capital Investment Program (New Starts) is a competitive, discretionary grants program that allocates funds for construction of new fixed guideway systems and extensions in existing fixed guideway systems. The assessment of the New Starts program affirmed that the program is well managed, is administered effectively and appropriately, and as a result is also helping FTA meet the Department’s reduced congestion goal.

OMB Recommendation #1: FTA submits a budget justification to the Congress that is aligned with performance for 2005.

Actions taken: FTA provided a performance based budget justification for the New Start program for FY 2005, FTA used new performance targets to measure performance of the New Starts program.

OMB Recommendation #2: As FTA uses the new performance targets to measure performance; the 2006 budget submission will better reflect how funding impacts performance.

Actions taken: FTA is implementing a number of programs and initiatives directed at reducing congestion and increasing transit capacity. Two programs directed at increasing the efficiency and effectiveness of new fixed guideway projects are Public-Private Partnerships and Re-engineering New Starts Project Development.

Public-Private Partnership Pilot Program: FTA has established and implemented a Public-Private Partnership Pilot Program (“Penta-P”) to demonstrate the advantages and disadvantages of Public-Private Partnerships (“PPP”) for certain new fixed guideway capital projects.

Deliverables:

- In efforts to further private investment in construction, operation and maintenance of public transit systems, FTA expects to fund at least three projects that participate in joint development.
- On August 22, 2007 FTA published a Federal Register Notice, Announcement of Project Selections for FY 2007 Discretionary Programs, Vol. 72, No. 162/ Notice. This Notice includes allocations of \$118.8 million for New Starts and Small Starts project allocations including Bay Area Rapid Transit District's Oakland Airport Connector Project (\$25 million) under FTA's Public Private Partnership Program.

Re-engineering New Starts Project Development: The New Starts Program is FTA's primary program for the expansion of transit infrastructure in the United States, providing additional supply of transit services to get people out of cars on congested roads and on to transit. 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, rating and managing these major transit investments continue to show incremental improvement, stakeholders have raised questions on the effectiveness and efficiency of FTA's decision-making process. FTA is committed not only to continuous improvement of the New Starts Project Development Process, but also to identifying possible significant changes in the highly political and regulated environment of New Starts projects.

Deliverable:

- Implement improvements to the New Starts Project Development Process that:
 - identifies projects that can be delivered on time and on budget, with the projected benefits
 - clarifies roles and responsibilities within FTA during the evaluation process
 - manages project risk rather than attempting to eliminate project risk
 - assures proper allocation of risks and responsibilities among all parties
 - reduces the time for delivering projects
 - standardizes Federal review periods
 - assures the predictability and transparency of FTA's New Starts guidance and project delivery process
 - produces consistency in process outcomes
 - accommodates possible alternative project delivery methods
- Action taken: On August 3, 2007, FTA published a notice of proposed rulemaking (NPRM) in the Federal Register with changes to Capital Investment Grants. This NPRM outlines proposed changes to the New Starts program and incorporates the Small Starts program into the regulation. In the preamble, FTA responded to comments received from the Small Starts advance notice of proposed rulemaking (ANPRM), published in the Federal Register on January 30, 2006, and addressed additional comments received from the February 12, 2007 Notice of Availability of Guidance on New Starts Policies and Procedures. Five listening sessions on the NPRM are scheduled for September and October 2007. FTA will not publish a Final Rule, in accordance with Section 170 of the FY 2008 Consolidated Appropriations Act (P.L. 110-161). FTA will continue to review comments received to the NPRM.

Formula Grants Analysis

The FTA's Urbanized Area and Fixed Guideway Modernization Formula Grant programs provide funding to help local transit agencies maintain and improve public transit service and infrastructure in urbanized areas, as designated by the U.S. Census. The assessment of the Formula Grant programs affirmed that the program is administered effectively and has made some significant improvements in the services provided by the local transit agencies. Specifically, the assessment found that the Formula Grant programs have exceeded the goal

to improve access to public transportation for people with disabilities, stabilized or made modest improvements in the infrastructure of local transit agencies, and made improvement in overall ridership since 2002.

OMB Recommendation #1: The Administration will work with FTA to evaluate ways to improve national ridership rates and to insure that FTA continues to administer the grants efficiently.

Actions taken: FTA is working on new approaches to increase transit ridership nationwide. The Executive Management Team (EMT) has committed to measures that will aid in reducing congestion and increase transit ridership. These programs and initiatives are designed to develop and deliver an integrated portfolio of products and services to increase the average number of transit boardings per market (top 150 transit agencies) by 1.9 percent over the previous year by the end of FY 2009.

Urban Partnership Agreement Program: The Department of Transportation has made reducing congestion a key strategic goal and implemented the Secretary's Congestion Relief Initiative as a means to meet that goal. FTA leads the Urban Congestion Team of the Secretary's Congestion Relief Initiative, a discrete program to measurably reduce the Nation's traffic congestion by January 2009.

Deliverables:

- FTA has established a Public-Private Partnership Pilot Program ("Penta-P") to demonstrate the advantages and disadvantages of Public-Private Partnerships ("PPP") for certain new fixed guideway capital projects.
- Implement a Public-Private Partnership Pilot Program for three projects, demonstrating incentives and obligations within the framework of the law, to explore the advantages and disadvantages of PPPs, as applied to eligible projects
- FTA submitted its Report to Congress on the Costs, Benefits, and Efficiencies of Public-Private Partnerships for Fixed Guideway Capital Projects in November 2007.
- The report required by SAFETEA-LU in U.S.C. 5309(c)(6) is intended to identify and examine the costs, benefits and efficiencies of applying PPP delivery approaches to transit projects.

Action taken: On January 19, 2006, FTA published in the Federal Register a Notice of Availability of Guidance on New Starts Policies and Procedures and Request for Comments for Fiscal Year (FY) 2008 reporting requirements. FTA received a number of helpful comments on the guidance and made appropriate revisions in response to industry concerns. A Notice of Availability of Final Guidance on New Starts Policies and Procedures, Updated Reporting Instructions and New Starts Rating and Evaluation Process was published May 22, 2006.

On August 14, 2007 the Department of Transportation (DOT) announced the selection of five metropolitan areas across the country as the first communities to participate in the DOT initiative to fight traffic gridlock. The winners of the nationwide competition will join the Department's Urban Partnership program and implement their traffic fighting plans.

On August 22, 2007 when FTA published a Federal Register Notice, Announcement of Project Selections for FY 2007 Discretionary Programs, Vol. 72, No. 162/ Notice. This Notice includes allocations of \$118.8 million for New Starts and Small Starts project allocations including Denver- Southeast (\$27.2 million), Chicago Ravenswood (\$36.3 million), Dallas-North Central (\$9.3 million); Small Starts in Oregon - Pioneer Parkway (\$14.8 million), Kansas City - Troost Corridor (\$6.26 million) and Bay Area Rapid Transit District's Oakland Airport Connector Project (\$25 million) under FTA's Public Private Partnership Program. A total of \$112.7 million has been reserved for New York City as part of their Urban Partnership Agreement.

Increased transit ridership: Steady increases in transit investments have dramatically improved and expanded public transportation services and mobility options for many Americans while attracting record numbers of riders. At the same time, the growing problem of traffic congestion continues to choke America's roadways. FTA promotes transit ridership by funding and supporting alternatives to the automobile and through the sharing of information and best practices with transit agencies.

Deliverables:

- Recognize successful initiatives by FTA grantees to produce significant increases in ridership by presenting ridership awards to these high-performing transit providers.
- Implement, in partnership with that National Transit Institute (NTI), a new course to equip transit agencies to conduct internal ridership reviews.
- Continue investment in transit infrastructure, and rehabilitation or replacement of existing fleets to support increased ridership.
- The average condition of both the bus and rail fleets will be maintained in adequate (3.0) or above condition. This reflects continued FTA funding for transit capital investment, including new vehicles. The average condition of transit vehicles will fluctuate as a result of normal vehicle replacement cycles. It would require a substantial and suboptimal increase in public investments to reach the level of 4.0 (good).

Performance Outcomes:

For the period of July 2006 to June 2007, preliminary data indicates that total real ridership at the top 150 transit agencies increased by 1.8% relative to the previous 12 month.

Research Programs Analysis

Through the Federal Transit Administration's National Research and Technology program, the Federal Government provides financial assistance to research and develop efficient and coordinated public transportation systems designed to address both overarching national policy objectives and the specific needs of certain populations. Better designed and more efficient transit systems serve diverse national interests by contributing to the achievement of important social, economic, and environmental goals. Transit systems also provide mobility for local populations with acute transportation needs, including economically disadvantaged and physically disabled individuals. The assessment of the Research Program affirmed that

the program is administered effectively, is well designed with a clear program purpose, and is targeted to meet industry needs without being duplicative of other efforts. The program supports research unlikely to be undertaken by the private sector, including studies on policy issues, operational efficiency, and travel behavior, as well as long-term, high-risk, high potential payoff investigations of new technologies. FTA supports research intended to identify different strategies to increase ridership, improve capital and operating efficiencies, improve safety and emergency preparedness, and protect the environment and promote energy independence.

Environmental Stewardship: FTA will promote transportation solutions that enhance communities and protect the natural and built environment. FTA will support the use of innovative environmental practices by grantees in the research, planning, design, construction, and operation of public transportation systems.

Deliverables:

- Conduct research and analysis on the effectiveness of new technologies such as hydrogen fuel cells and diesel hybrid electric engines to reduce air pollution emissions and increase the fuel efficiencies of public transportation vehicles.
- Develop information and provide easy internet accessibility to technical reports that help transit agencies make informed investment decisions on new vehicle purchases.
- Achieve considerable performance improvements in durability, efficiency, and cost reduction in fuel cell bus technology through targeted government-industry research and demonstration efforts.
- Foster increased market share of hybrid electric buses by promoting emission certification procedures for hybrid buses.
- Foster improved environmental stewardship by transit agencies through research and information dissemination relative to alternative fueled propulsion systems for transit vehicles.
- Initiate the development of a plan to address the needs of research that will improve electric drive propulsion technology thereby reducing energy consumption and negative effects on the environment.

Action taken: In the FY 2008 Budget Submission to Congress, FTA proposed a provision to fund at 100 percent each grant for the hybrid electric propulsion system of a bus.

In FY 2008, Division K, Title I, Section 164 of the Consolidated Appropriations Act, P.L. 110-161, offers incentives to transit agencies that acquire or rehabilitate a bus to be used in public transportation shall be funded for 90 percent of the net capital costs of a biodiesel system or a factory-installed or retrofitted hybrid electric propulsion system and any equipment related to such a system.

Similar language offering incentives to transit agencies that purchase or rehabilitate biodiesel and hybrid-electric vehicles is proposed in FY 2009, although allowing a 100 percent match of the biodiesel or hybrid-electric propulsion system.

Through the National Fuel Cell Bus Technology Development Program established in SAFETEA-LU, FTA will support research and demonstration projects at up to three private sector not-for-profit organizations. The program will facilitate the development of commercially viable fuel cell bus technologies and related infrastructure for application in transit revenue service operations.

State Administered Grants Program Analysis

Through the State Administered Grants Program, the Federal Transit Administration provides mobility and both economic and social opportunities for transit dependent populations. The Special Needs of Elderly Individuals and Individuals with Disabilities grant program provides capital funding to implement and maintain public transportation systems to meet the mobility needs of the elderly and disabled when existing transportation services are unavailable, insufficient, or inappropriate. The Formula Grants for Other than Urbanized Areas grant program provides funding for capital and operating assistance to implement and maintain public transportation systems for residents of rural counties and also assists states in supporting rural intercity bus services. The Job Access and Reverse Commute program supports the development and maintenance of transportation services designed to transport welfare recipients and eligible low-income individuals to work sites that have historically not been served by existing transit services. The assessment of the State Administered Grants program affirmed that the program is administered effectively, is well designed, and sets ambitious targets.

Deliverables:

- Increase the number of rides provided annually for individuals with disabilities and elderly individuals by 4 percent. More elderly persons and persons with disabilities will have access and opportunities each year because of this program.
- Increase ridership in non-urbanized areas by 3 percent annually. Provision of public transportation benefits the economies of rural areas by providing accessibility for underserved populations.
- Reach at least 50,000 job sites annually through Job Access and Reverse Commute funded services. FTA has consistently exceeded its goal of reaching 50,000 jobs sites per year. This is one of the reasons why FTA has established the new annual goal for the JARC program – an annual percentage increase in jobs accessed – for which baselines are being developed.

Action taken: During the formulation of the next reauthorization proposal, FTA will consider and propose modifications to make State Administered Grants funding sources more flexible and simplify the program structure. In addition, FTA will continue to improve program oversight of the recipients and request additional funding to support improved oversight activities. FTA is working on a report to Congress on the effectiveness of distributing JARC funds by formula.

SAFETY

Performance Goal: Reduce the Rate of Transit Fatalities and Injuries

The request of \$13.2 million contributes to the DOT Safety strategic objective to enhance public health and safety by working toward the elimination of transportation-related deaths and injuries.

The success of FTA investments in projects designed to enhance and increase the safety of public transportation systems cannot be understated. Public transit is the safest mode of transportation in the United States.

FTA is committed to strategically investing in projects that will further contribute toward decreasing public transit's injury and fatality rates. This request will allow FTA to provide training, guidance, oversight, data collection, and analysis. The request will also fund technology that offers both transit safety and security benefits.

Performance Measure:

Fatalities and Injuries Per 100 Million Passenger Miles							
Year		2004	2005	2006	2007	2008	2009
Fatalities	Target	0.487	0.482	0.477	0.473	0.468	0.463
	Actual	0.467	0.428	0.344	.286*		
Injuries	Target	36.0	35.6	35.2	34.9	34.5	34.1
	Actual	35.2	31.8	17.7	22.0*		

* Preliminary estimate.

The resources requested to achieve this goal are:

FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, & Exempt Obligations
(\$000)

PERFORMANCE GOALS & MEASUREMENTS	FY 2007 <u>Actual</u>	FY 2008 <u>Enacted</u>	FY 2009 <u>Request</u>
1. Safety			
Reduce the Transit Fatality and Injury Rate			
1. Administrative Expenses	977	1,016	1,048
2. Formula and Bus Grants	3,950	3,950	4,550
3. Research and University Research	<u>6,025</u>	<u>5,250</u>	<u>7,585</u>
Subtotal – Safety	10,952	10,216	13,183
FTE (Direct funded associated with this segment)	7	7	7

General Overview: FTA will use the requested \$13.2 million in funding to promote public transit safety by providing transit safety and security training and emergency preparedness. This approach incorporates research, deployment of innovative technologies, and system safety and security transit management strategies. Safety research will promote safe, efficient transit operations by investigating the causal factors of accidents, determining effective ways to mitigate the consequences of transit accidents, and assessing the potential safety impacts of new transit technologies, vehicles, and procedures.

FTA works in close collaboration with Federal, State, and local agencies to promote comprehensive approaches to the management of emergency incidents, including response and recovery activities. FTA will develop and disseminate guidance documents to enhance transit system preparedness for dealing with safety and security related incidents and the deployment of critical resources.

FTA will also provide follow-up specific technical assistance to help the transit industry understand and implement innovative safety and security strategies that reduce risks and mitigate consequences from acts of intentional harm against the transit infrastructure or its passengers and employees.

The Formula and Bus Grants Oversight takedown is used to fund critical oversight and safety activities: State Safety Oversight, Drug and Alcohol Compliance, and Bus Safety. The National Transit Database (NTD) Safety Module, funded from the Formula and Bus Grants account, is the mechanism for collecting critical national safety data and statistics used by transit operators across the country.

PERFORMANCE ISSUE:

FTA shares the Secretary's emphasis on safety as a top priority of the Nation's transportation system. Due in part to FTA's commitment to safety, public transportation is the safest mode of surface transportation. According to the National Safety Council, riding the bus is 47 times safer than traveling by car. Traveling by train is 23 times safer than traveling by car.

Over the last decade, FTA and transit systems throughout the country have focused and coordinated their efforts to reduce the number of transit related deaths and injuries dramatically. Because of this concentrated approach, much of the groundwork has been laid, allowing the continual improvement in transit safety at a lower marginal cost. FTA's goal is to increase the safety of public transportation while investing limited resources in other high-risk program areas where FTA dollars will yield the greatest benefit.

FTA works diligently with States to implement State Safety Oversight for Rail Fixed Guideway Systems rulemaking successfully. The challenge is to reduce the rate of fatalities and injuries further, even as the total number of people using transit increases.

Five years of audits conducted by FTA have shown that the drug and alcohol programs of grantees, sub-recipients, and their contractors are usually in compliance with testing rules.

An effective drug and alcohol program assists in the reduction of accidents. Audit findings and best practices will be summarized periodically for publication and dissemination. Information from FTA’s Drug and Alcohol Management Information System is used to evaluate the effectiveness of oversight activities, including compliance audits of individual employers’ drug and alcohol testing programs.

Funds within the National Research Program promote safety in public transportation systems. Projects include: the Transportation Safety Institute’s transit safety and security-training program located in Oklahoma City, OK; application of geographic information systems (GIS) to transit infrastructure assets as an emergency management tool; and the continuation of research on bus rapid transit (BRT) operational safety issues.

ANTICIPATED FY 2008 ACCOMPLISHMENTS:

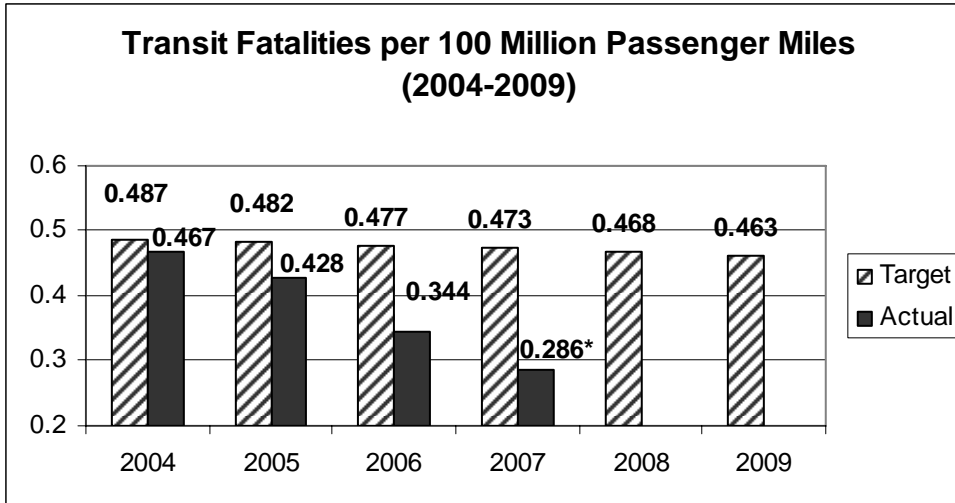
Public transit provides a flexible alternative to automobile travel, and offers a higher degree of safety. The FY 2008 goal for fatalities per 100 million passenger miles traveled is 0.468. In FY 2009, FTA set a target to lower this number by 0.005, reducing fatalities per 100 million passenger miles to 0.463. The FY 2008 goal for injuries per 100 million passenger miles traveled is 34.5 or less per 100 million passenger miles, and in FY 2009 that target will be decreased by 0.3, producing a FY 2009 target of 34.1 or fewer injuries per 100 million passenger miles.

Fatalities and Injuries Per 100 Million Passenger Miles							
Year		2004	2005	2006	2007	2008	2009
Fatalities	Target	0.487	0.482	0.477	0.473	0.468	0.463
	Actual	0.467	0.428	0.344	.286*		
Injuries	Target	36.0	35.6	35.2	34.9	34.5	34.1
	Actual	35.2	31.8	17.7	22.0*		

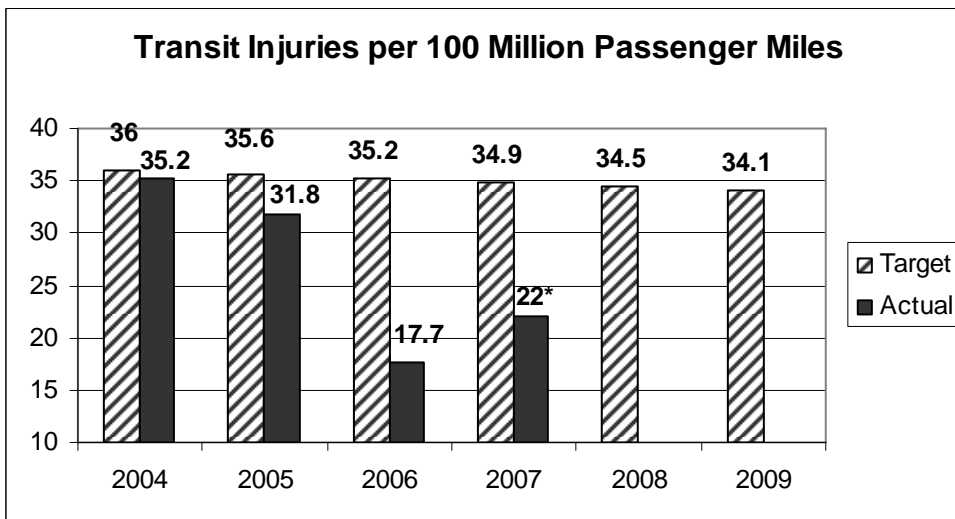
* Preliminary estimate.

During FY 2006, there were fewer than 0.344 fatalities per 100 million miles – exceeding FTA’s goal for that year. Preliminary estimates of transit fatalities suggest that FTA will do better than its FY 2007 goal of 0.473 transit fatalities per 100 million passenger miles traveled as well, with fatalities reduced to .286 per 100 million miles.

The trends for fatalities and injuries per 100 million passenger miles from 2004 to 2009 are reflected in the graphs that follow:



*Preliminary estimate.



*Preliminary estimate.

FTA's oversight and implementation of the State Safety Oversight Program and the Drug and Alcohol Testing Rule directly supports the goal of enhanced public safety. During FY 2008 FTA will provide oversight through the Drug and Alcohol Testing Compliance program covering approximately six large Urbanized Area Formula Grant recipients' re-audits, 7 State Programs with 6-8 sub-recipients in each, and 56 small Urbanized Area Formula Grant recipients or the equivalent. FTA will conduct 10 Annual State Safety Oversight Program Audits to assess State Safety Oversight Agency and Rail Transit Agency compliance with 49 CFR Part 659 requirements.

FTA's strategy for further reducing the low rate of transit fatalities will include continued investment in programs to improve transit safety by replacing older bus and rail vehicles with newer, safer ones, and to improve track and transit facility conditions. In addition, FTA continues to emphasize that safety be a design consideration from project inception.

FY 2009 PERFORMANCE BUDGET REQUEST:

Formula and Bus Grants - \$4.550 million

In FY 2009, FTA will use the \$4.550 million in Formula and Bus Grant funds to:

- Continue to monitor States responsible for safety oversight of rail systems to ensure compliance with the requirements of the State Safety Oversight Rule for Rail Fixed Guideway Systems.
- Continue drug and alcohol audits. FTA will provide technical assistance and training focused on identified deficiencies and non-compliance trends.

Research and University Research Centers - \$7.585 million

In FY 2009, FTA will use the \$7.585 million in research funds to:

- Evaluate the impact of new vehicle and infrastructure technologies on transit safety and security. The program will include an ongoing analysis of data collected from accidents involving new technologies in bus and rail.
- Provide over 35 training courses through the Transportation Safety Institute (TSI) training program on subjects such as accident prevention and investigation, emergency management, industrial safety, alternative fuels, bus operator safety, and fatigue awareness.
- Test materials used in transit vehicles for fire safety and update FTA's guidelines.
- Reduce the incidence of substance use by transit employees through the Drug and Alcohol Testing (DAMIS) program.
- Provide outreach to transit authorities through the dissemination of safety and security information. Maintain a national safety and security clearinghouse and Web site.

Administrative Expenses - \$1.048 million

This is requested for administrative support for the programs that support decreasing transit fatalities and injuries.

REDUCED CONGESTION

Performance Goal: Meet Transit Ridership and Accessibility Demands

This funding request of \$9.602 billion contributes to the DOT strategic goal of Reduced Congestion. It also addresses the increasing demands of the transit riding public by providing an accessible, affordable, reliable transportation system for all people, goods, and regions.

Ridership Performance Measure: Average percent change in transit boardings per transit market (150 largest transit agencies).

	2004	2005	2006	2007	2008	2009
Target	2.0	1.0	1.0	1.5	1.5	1.9
Actual	0.7	1.9	2.1	2.0		

**Preliminary estimate.*

Note: Beginning in FY 2007 the percent change in transit boardings per transit market will no longer be adjusted for changes in employment level by market.

This request will allow DOT to help provide access to transit systems that are efficient and free of physical barriers, offer flexibility and choice, and will help advance America’s economic growth and competitiveness domestically and internationally. The resources requested to achieve these goals are listed in the table below:

**FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, & Exempt Obligations
(\$000)**

PERFORMANCE GOALS & MEASUREMENTS BY PROGRAM ACTIVITIES	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request
Reduced Congestion			
Reduction in Urban Congestion			
1. Administrative Expenses	60,556	62,751	62,893
2. Formula and Bus Grants	6,457,358	6,946,762	7,354,215
3. Capital Investment Grants	1,566,000	1,399,818	1,620,829
4. Research and University Research			
Centers	40,060	42,710	37,624
Transportation Accessibility			
1. Administrative Expenses	1,256	1,345	1,348
2. Formula and Bus Grants	176,679	247,477	261,340
3. Job Access and Reverse Commute			
Grants	144,000	155,980	164,500
4. New Freedom Program	81,000	87,489	92,500
5. Research and University Research			
Centers	<u>9,993</u>	<u>8,450</u>	<u>7,050</u>
Total – Reduced Congestion	8,536,903	8,997,325	9,602,299
FTE (Direct funded associated with this segment)	443	429	429

**FEDERAL TRANSIT ADMINISTRATION
Marginal Cost of Performance
Increased Transit Ridership**

Request by Strategic Goal (\$000)	FY 2007 Enacted	FY 2008 Enacted	FY 2009 Program Changes	FY 2009 Total Request
	\$8,023,358	\$8,447,675	\$527,369	\$8,975,044
1. Formula and Bus Grants	[6,457,358]	[6,878,583]	[475,632]	[7,354,215]
2. Capital Investment Grants	[1,566,000]	[1,569,092]	[51,737]	[1,620,829]

Agency Output or Outcome Measure Associated with this Program increase:

Increased transit ridership – increase the average number of transit boardings per market (top 150 transit agencies) by 1.5 percent over the previous year. For the marginal cost of performance scenario, FTA used passenger miles traveled (PMT) the supplemental performance measure, to show the relationship between the increase in funding between FY 2006 and FY 2007 and increased performance. The initial ridership level is equal to actual ridership in 2004.

PMT (billions of miles)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
<u>Baseline Performance Level</u>						
Target	46.5	46.7	47.0	47.0	47.0	47.0
Actual	46.5	47.1	49.5			
<u>Incremental Performance Target With Program Changes</u>						3.2
<u>(Total) Performance Target With Program Changes</u>						50.2



Marginal Cost Narrative: FTA requests an additional \$475.632 million in Formula and Bus Grant funding and an increase of \$51.737 million in Capital Investment Grants (New Starts) to contribute towards achieving the goal of increasing transit ridership. In FY 2009, Formula and Bus Grants supports ridership with \$7.35 billion, and Capital Investment Grants supports ridership with \$1.62 billion. FTA’s incremental performance target based on the program changes for FY 2009 is 1.5 billion additional passenger miles over the PMT for FY 2008, when adjusted to FY 2006 dollars.

Analytical assumptions: Passenger Miles Traveled are projected based on an elasticity calculated on PMT and total public funding for transit from the NTD. Capital investment data have been deflated using the OMB GDP deflator. The projections assume that 50 percent of total government funds come from state and local sources.

General Overview: This request upholds 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, the accessibility, the economic, and the environmental benefits of public transportation.

PERFORMANCE ISSUE:

The State Administered Grants Program, in the Formula and Bus Grants Account, is currently being assessed using OMB's Program Assessment Rating Tool (PART). Results verify the program's effectiveness. The Program Assessment of the Urbanized Area Formula and Grants programs received a PART score of 92 (out of 100) as part of the FY 2006 Budget, demonstrating that the Formula Grant program is effective in achieving annual and long term performance goals. The PART analysis of the New Starts program, completed during the FY 2005 budget process, rated 83 (out of 100) and affirmed that the program is well managed and effectively administered. All three of these highly rated programs form the core of FTA's support of the Department's strategic goal of Reduced Congestion.

Results from the Before and After Study program indicate that the New Starts Program is achieving its long-term performance goals of increasing transit ridership. The first Before and After Study from a transit agency was provided by the Utah Transit Authority during FY 2007. The Utah study demonstrated that while the Light Rail 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 Before and After Study also demonstrated the Light Rail extension's effect on reducing congestion and increasing transit ridership: 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.

Congestion Reduction

Congestion imposes substantial costs on our nation's travelers. Traffic jams are increasingly stealing from busy citizens and families their single most valuable commodity: time. On Sunday June 3rd, the Washington Post Magazine ran a cover story on this very topic, entitled "Hell on Wheels: Inside the Nerve-Jangling, Marriage-Rattling Reality of Marathon Commuting." The article put names and faces to some of the statistics with which the Department is very familiar. About 10 percent of commuting Americans travel more than an hour each way to and from work, averaging 82 minutes per trip. In 2003 – the most recent year for which reliable data is available – Americans wasted 3.7 billion hours and 2.3 billion gallons of fuel sitting in traffic jams. In the nation's largest cities, each rush hour traveler spends the equivalent of almost eight workdays each year stuck in traffic, "paying" the equivalent of between \$850 and \$1,600 each year in lost time and fuel. Traffic forces parents to miss events with their children, limits the time that friends and families can spend together, and reduces opportunities for civic participation. While difficult to quantify, these social costs of traffic congestion are enormous.

Beyond these immediate costs, transportation delay and unreliability have begun to chip away at one of our nation's most important economic assets: an efficient transportation system that allows businesses freedom of location and the ability to reach customers across the nation and around the world quickly. Large U.S. companies that rely on the international supply chain relate that, despite their aspirations to operate using a "just-in-time" business model, they are maintaining inventory in larger volumes than in recent years. They do so – at great cost – simply as a hedge against an increasingly unreliable transportation system.

The Department of Transportation has made reducing congestion a key strategic goal and implemented the Secretary's Congestion Relief Initiative as a means to meet that goal. Transit plays a critical role in reducing congestion, by providing alternatives to the automobile for travel and daily commutes. Investment in transit is an important component of reducing congestion to save time and money.

American businesses are beneficiaries of transit's positive effects on congestion. The expansion of the Dallas Area Rapid Transit (DART), for example, is forecast to augment economic activity by \$8.1 billion over the life of the project. The Nation's economy as a whole benefits from transit's positive contributions toward reducing delays and delivering services more efficiently (through less congested roads). Public transportation also benefits the economies of rural areas by providing accessibility for underserved populations.

Technology and the role of the private sector are amplifying the congestion mitigating impacts of transit. Smart cards, automatic train control, and bus priority signaling, in addition to new legislation promoting the use of cooperative agreements with the private sector to expand transit capacity, make transit an even more efficient transportation mode and further reduce congestion.

Transit saves time, provides mobility, and lessens the negative externalities that stem from congestion. These benefits and more can be realized through continued Federal funding of public transit.

ANTICIPATED FY 2008 ACCOMPLISHMENTS

The Capital Investment Grants, Formula and Bus Grants, and Research programs will achieve advances in the following areas to support the strategic goal of Reduced Congestion:

Meeting Transit Ridership Demands:

- In FY 2008, ridership, as defined by the average percent change in transit boardings per transit market, will increase at least one-and-a-half percent over FY 2007.
- Expand public transit service and capacity to reduce congestion in Minneapolis, New York, Miami, Seattle, and San Francisco, the five cities with Urban Partnership Agreements.
- Recognize successful initiatives by FTA grantees to produce significant increases in ridership by presenting ridership awards to high-performing transit providers.
- Implement, in partnership with that National Transit Institute (NTI), a new course to equip transit agencies to conduct internal ridership reviews.

- Continue investment in transit infrastructure, and rehabilitation or replacement of existing fleets to support increased ridership.
- The average condition of both the bus and rail fleets will be maintained in adequate (3.0) or above condition. This reflects continued FTA funding for transit capital investment, including new vehicles. The average condition of transit vehicles will fluctuate as a result of normal vehicle replacement cycles. It would require a substantial and suboptimal increase in public investments to reach the level of 4.0 (good).

Transit Accessibility:

- Further progress will be made under the United We Ride initiative by undertaking collaborative actions with other Federal partners at the national and regional levels to increase the number of local coordinated plans.
- Work will continue with other members of the Federal Coordinating Council on Access and Mobility to adopt cost-sharing principles.
- The percentage of motor bus mode fleets that are compliant with the Americans with Disabilities Act (ADA) will meet or exceed the 98 percent target in FY 2008.
- In FY 2006, the number of employment sites that are made accessible by the Job Access and Reverse Commute (JARC) program rose to over 90 thousand. FTA has chosen to evaluate the program in the future based on the number of jobs accessed.

FY 2009 PERFORMANCE BUDGET REQUEST

The FY 2009 funding for Capital Investment Grants will allow FTA to both maintain its commitment to existing Full Funded Grant Agreements (FFGAs) and provide funding for some meritorious projects to advance closer to FFGA status. Likewise, the FY 2009 funding for the Formula and Bus Grants program will allow FTA to help local communities maintain and improve the condition of the nation's existing transit system. Having overall FTA activities implemented effectively and efficiently is essential to supporting FTA's performance measures of transit ridership and accessibility in order to support DOT's strategic goal of Reduced Congestion. The FY 2009 increase above FY 2008 helps accomplish this by allowing investment in public transit infrastructure nationwide.

Meeting Transit Ridership Demands:

Formula and Bus Grants - \$7,354.299 million

The Formula and Bus Grants program funds buses, rail cars, and maintenance facilities that improve and expand the existing transit infrastructure. The major goal of the Fixed Guideway Modernization, a Formula and Bus Grants program is to maintain and improve the conditions on the Nation's older fixed guideway (primarily rail) systems. The Fixed Guideway Modernization program supports heavy and light rail systems and equipment as well as ferryboat operations. A score of 92 out of 100 on the PART confirms the effectiveness of the Formula and Bus Grants program.

Capital Investment Grants - \$1,620.829 million

The outputs of the Capital Investment Grants program include new transit systems, new extensions to existing transit systems, and an expedited criteria and project development process for capital investment grants less than \$75 million. The PART assessment has demonstrated that the program is meritorious.

A recent analysis of transit benefits reported that the 20 new starts projects currently under FFGA are projected to carry 194 million total riders annually. This analysis proves New Starts congestion alleviating potential: of the total 194 million riders, approximately 74.2 million would have formerly used an automobile for their trips.

FTA is committed not only to continuous improvement of the New Starts Project Development Process, but also to identifying possible significant changes in the highly political and regulated environment of New Starts projects. FTA will implement improvements to the New Starts Project Development Process that:

- identify projects that can be delivered on time and on budget
- clarify roles and responsibilities within FTA during the evaluation process
- manage project risk rather than attempting to eliminate project risk
- assure proper allocation of risks and responsibilities among all parties
- reduce the time for delivering projects
- standardize Federal review periods
- assure the predictability and transparency of FTA's New Starts guidance and project delivery process
- produce consistency in process outcomes
- accommodate possible alternative project delivery methods

Research and University Research Centers - \$37.624 million

The Research and University Research Centers programs fund activities that support increasing transit ridership. Studies will provide information on a range of issues important to the transit sector including:

- Improving the design, performance, safety, and reliability of transit systems through the development of voluntary consensus domestic and international standards for bus and rail operations.
- Improving New Starts and Small Starts project travel demand forecasting practices by enhancing the alternatives analysis process.
- Encouraging innovative approaches to rail problems, emphasizing unconventional approaches that have the potential to produce leapfrog technologies and lead to significant advancements.
- Increasing the efficiency of existing infrastructure by conducting a feasibility study in partnership with FRA on shared freight and transit tracks.
- Providing seed funding for selected stakeholder groups to work on priority program initiatives, and support the development and delivery of technical assistance and guidance to state and local agencies and transit operators.

Associated Administrative Costs for Ridership - \$62.893 million

This amount is requested for administrative support for transit ridership programs.

Ridership Outreach

DOT and FTA have launched a major initiative to assist transit agencies and communities to more fully utilize their transit infrastructure by increasing ridership. This effort will maximize the economic, environmental, and mobility benefits of transit investment. Recent activities have included:

- Individualized Marketing Demonstration Program - FTA partnered with four communities (Bellingham, Washington; Sacramento, California; Columbus, Ohio; and Durham, North Carolina) to test an innovative travel behavior modification program through personalized marketing. The program encourages individuals to choose alternatives to single occupancy vehicle travel, such as transit, cycling, carpooling or walking. Each study includes a “before and after” survey, with a control group, to determine the impact of the program on participant travel behavior.
- In FY 2007, FTA reviewed system performance and ridership at the Riverside Transit Agency in California. The agency is developing a comprehensive implementation plan that will be tracked by FTA to determine the impact the recommendations have on ridership.
- Innovative Practices for Increasing Ridership – FTA launched a new webpage of innovative practices to increase transit ridership. The site will be updated regularly to include successful new approaches used by transit agencies to increase ridership.
- Market-Based Ridership Strategies – FTA developed a two-day National Transit Institute course to assist transit operators in learning about and implementing market-based strategies to increase transit ridership.
- In FY 2007, FTA developed a training course to be conducted by the National Transit Institute that will teach transit agencies to perform their own, internal reviews to increase ridership.

RIDERSHIP PILOTS

In FY 2005, FTA launched its “Pilot Ridership Initiative” by conducting site visits at two transit agencies – Connecticut Transit in Hartford, Connecticut and CTRAN in Clark County, Washington. FTA performed comprehensive reviews to identify opportunities where improvements in transit ridership could be made and to provide technical assistance. Both CT Transit and CTRAN have developed implementation plans from the recommendations that they chose to accept and are actively implementing new policies and initiatives. In FY 2006, FTA conducted two additional ridership site visits and comprehensive reviews of the Suburban Mobility Authority for Regional Transit (SMART) in Troy, MI and the San Mateo County Transit District (SamTrans) in San Carlos, CA to increase their ridership. Both developed comprehensive implementation plans that are being tracked by FTA to determine the impact the recommendations have on ridership. In FY 2007, FTA developed a training course to be conducted by the National Transit Institute that will teach transit agencies to perform their own, internal reviews to increase ridership. FTA completed one ridership review in FY 2007, at the Riverside Transit Agency in Riverside, CA.

Transit Accessibility:

Formula and Bus Grants - \$518.340 million

This amount is comprised of the Job Access and Reverse Commute program, the New Freedom Initiative, the Non-Urbanized Area program, and the Elderly and Disabled program. The PART has verified the effectiveness of the State Administered Grants program. Outcomes of these State Administered programs include providing mobility and economic and social opportunities for transit dependent populations. The success of the Job Access and Reverse Commute program, outlined in the following narrative, illustrates program accomplishments.

Job Access and Reverse Commute: The Essex Night Owl

Cynthia lives in Newark, New Jersey and works at an airline from 4 to 10 a.m. The Night Owl means that she does not have to worry about how she will get to work. “I need to work,” she said. “I am a single mom. Working these hours and having direct transportation is a real benefit to me because I am home for my kids.”

The Essex Night Owl provides demand-response service oriented around Newark Penn Station from 1 to 5 a.m. daily. The service is designed to help individuals transition into a new life. Once they have steady work and accrue some savings they typically buy a vehicle or start sharing a ride with a coworker, and a seat opens up on the bus for the next rider. Over half of the passengers are eligible for welfare assistance; 48% are low income TANF-eligible, and 10% are low income General Assistance eligible. Between January and September 2005, Night Owl served 528 individuals. One-way trips during that period totaled 27,769. From 100-120 people ride each weeknight and about 50-60 people on weekends.

A goal of the program is to “fill the last mile” – an issue common to many transportation services. Here the missing link was the connection between Penn Station and home for workers traveling in the early-morning hours. By filling this gap, Night Owl allows its passengers to build new lives.

Research and University Research Centers - \$7.050 million

The Research and University Research Centers program funds activities that support transit accessibility. One of those activities, United We Ride, will result in a more accessible transit system by helping make it more affordable and reliable to those who depend on it the most. These activities compliment the Job Access and Reverse Commute (JARC) program created by Congress to meet the huge demand for transit services among people with low incomes.

DOT/DHHS Human Services Transportation Coordination – In February 2003, President Bush issued an Executive Order to enhance coordination of human service transportation by formalizing a critical partnership between the Federal agencies that are responsible for 62 Federal programs that support transportation.

In response to the recommendations of the President’s Council on Access and Mobility, FTA implemented United We Ride, a five-part nationwide initiative to improve transportation services for people with disabilities, people with low incomes, and older adults. The initiative to improve the coordination of human services transportation includes:

1) publication of “*A Framework for Action*”-- a self-assessment tool that States and communities can use to identify areas of success and the actions still needed to improve the coordination of human service transportation; 2) recognition of leadership -- in February 2004, former Secretary Mineta recognized five States: Ohio, North Carolina, Washington, Florida, and Maryland that are leading the way in building infrastructure and programs that facilitate human service transportation coordination; 3) holding a National Leadership Forum; 4) providing grants -- \$2 million was provided to address gaps and needs related to human service transportation; and 5) providing technical assistance -- “*Help Along the Way*” was launched that built on the work of the Community Transportation Assistance Program, the Rural Transportation Assistance Program, and Easter Seals Project ACTION.

UNITED WE RIDE

- In Kentucky, the State’s governor combined funds from several human service transportation programs into a single fund, and established regional transportation brokers. The cost per ride was reduced by 20 percent, while the number of rides was increased substantially.
- In Miami, coordinating Medicaid transportation with public transportation resulted in a win-win situation for the local Medicaid agency, the transit providers, and Medicaid customers. By issuing transit passes to allow Medicaid customers to use less-expensive fixed route transit instead of more expensive paratransit or taxi trips, the Medicaid agency saves (and the taxpayer save) \$700,000 per month—almost \$8 million a year.

Associated Administrative Costs - \$1.348 million

This amount is requested for administrative support for the programs that support transit accessibility. Increases in both the Capital Investment Grants and Formula Grant programs are linked to the FTA-level measures of increased transit ridership and accessibility by helping to improve and expand transit infrastructure. The New Starts program increases ridership by providing new infrastructure, which in turn provides cost effective alternatives to driving alone. The Formula and Bus Grants program increases ridership by helping local communities make sure that the nation’s transit system is maintained and improved to meet the ever-increasing transit ridership demands of the public. In addition, both of these programs improve the accessibility of those who may face obstacles to basic transportation that others do not.

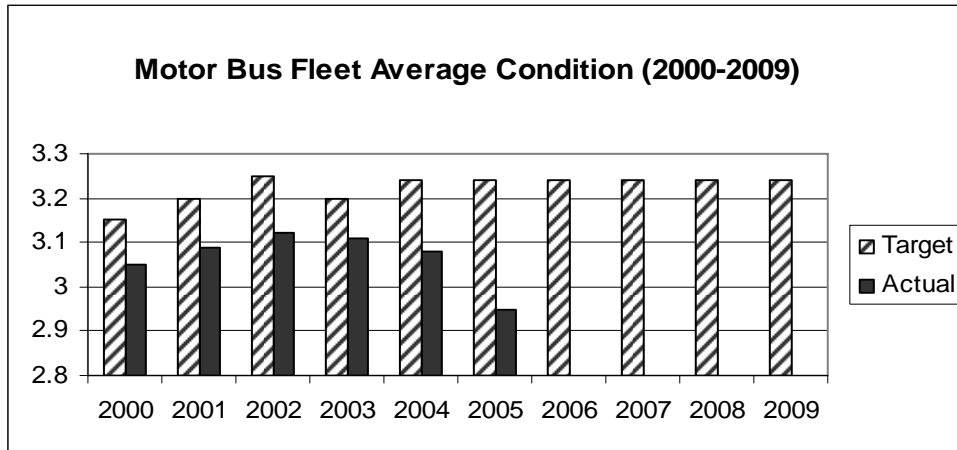
The results of these increased funding levels contribute to the DOT level outcomes of improved infrastructure in all modes, reduced congestion in all modes, increased reliability throughout the system, and increased access for all Americans by accomplishing the following:

- Maintaining and improving the nation’s transit system infrastructure in non-urban areas.
- Maintaining and improving the reliability of the transit portion of the nation’s multi-modal transportation system.
- Providing a solid commitment to transit accessibility by ensuring that existing and new transit services are accessible to those facing economic and physical obstacles to personal mobility. Moreover, transit itself provides accessibility to those who do not have access to other means of transportation such as automobiles.

Ridership Performance Measure: Improved infrastructure as measured by improved average condition of transit motorbus fleet and transit rail vehicles.

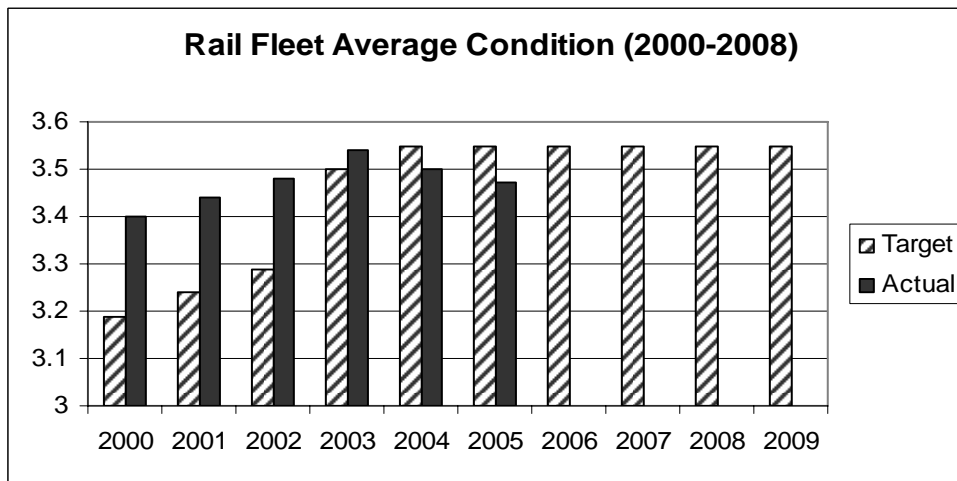
- The 2009 goal for bus fleets is to stabilize conditions at 3.24 (on a scale of 1.0 (poor) to 5.0 (excellent)).

Average condition of motor bus fleet (on a scale of 1 (poor) to 5 (excellent)).										
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Target:	3.15	3.20	3.25	3.20	3.24	3.24	3.24	3.24	3.24	3.24
Actual:	3.05	3.09	3.12	3.11	3.08	2.95				



- The 2009 goal for rail vehicles is to stabilize conditions at 3.55.

Average condition of rail vehicle fleet (on a scale of 1 (poor) to 5 (excellent)).										
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Target:	3.19	3.24	3.29	3.50	3.55	3.55	3.55	3.55	3.55	3.55
Actual:	3.40	3.44	3.48	3.54	3.50	3.47				



Accessibility Performance Measures: Improved accessibility to bus and rail systems as measured by percentage of bus fleet ADA-compliance and percentage of key rail station ADA-compliance. Improved accessibility to jobs as measured by employment sites made accessible by Job Access and Reverse Commute (JARC).

Percentage of key rail stations that are ADA-compliant.								
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Target:	68	79	89	84	91	93	94	94
Actual:	77	82	82	91	92	92.3*		

*Preliminary estimate

Percentage of bus fleets that are ADA-compliant.

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Target:	86	89	92	95	97	97	98	98
Actual:	90	93	95	97	97	97*		

* Preliminary estimate

Jobs made accessible by Job Access and Reverse Commute (JARC) transportation services.

New performance measure will be baselined in FY 2007.

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u> **	<u>2007</u>	<u>2008</u>	<u>2009</u>
Target:	20,400	23,500	50,000	50,000	50,000**	50,000**	50,000**	50,000**
Actual:	52,100	73,700	82,800	95,400	91,200*	95,400*		

* Estimate.

** FY 2006 is the first year JARC is a formula program as enacted in SAFETEA-LU. This will require an assessment of the appropriate performance measure to apply to the program.

Based on the new Job Access and Reverse Commute measure of number of jobs reached, it is estimated that JARC-funded services provided access to approximately 43.4 million jobs, including 21.2 million low-wage jobs in FY 2006.

FTA has demonstrated through Program Assessments the linkage between the strategic goal of Reduced Congestion and its Capital Investment Grants, Formula and Bus Grants, and Research accounts. Steady increases in transit investments have dramatically improved and expanded public transportation services and mobility options for many Americans while attracting record numbers of riders. Transit saves time, provides mobility, and lessens the negative externalities that stem from congestion. These benefits and more can be realized through continued Federal funding of public transit.

GLOBAL CONNECTIVITY

Performance Goal: Facilitate an International Transportation System that Promotes Economic Growth and Development

This request of \$1 million will fund FTA’s Trade Promotion, Technical Assistance, and Training Program and the International Mass Transportation Program. These programs support the departmental strategic objective to facilitate an international transportation system that promotes economic growth and development. Trade missions and other trade events permit domestic providers of transit goods and services to showcase their products internationally. This leads to increased exports of domestic transit equipment and services.

The Department has created a new goal that will measure the dollar value of overseas contracts awarded to U.S. companies as a result of FTA’s promotional activities. There is no available historical data at this time.

The resources requested to achieve this goal are:

FEDERAL TRANSIT ADMINISTRATION Appropriations, Obligation Limitations, & Exempt Obligations (\$000)

PERFORMANCE GOALS & MEASUREMENTS BY

PROGRAM ACTIVITIES

**FY 2007
Actual**

**FY 2008
Enacted**

**FY 2009
Request**

5. Global Connectivity

International Transportation and Trade

1. Administrative Expenses

279

290

299

2. Research and University Research Centers

600

500

700

Total – Global Connectivity 1/

879

790

999

FTE

2

2

2

1/ Does not include an estimated \$100,000 provided under the indefinite appropriation in FY 2006.

General Overview: The request of \$1 million in FY 2009 will provide funds to promote 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.

PERFORMANCE ISSUE:

International trade and travel have become an increasingly important part of DOT's strategic thinking. The Department seeks to reinforce and 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. The Department acts bilaterally, regionally or multilaterally, as appropriate to achieve its international objectives through cooperation with other U.S. Government and international agencies and with the private sector.

The International Mass Transportation Program will support the Departmental strategic objective of enhancing the international competitiveness of U.S. transportation providers and manufacturers by providing access to international markets for the export of domestic transit goods and services. Trade missions and other trade events permit domestic providers of transit goods and services to showcase their products internationally. Past trade mission members and participants in trade shows have reported substantial sales resulting from their participation.

Previous accomplishments include success in overseas markets by several companies that have participated in IMPT activities. The Allison Transmission Division of General Motors participated in FTA's first trade mission to China in late 2004. In 2006, Allison won contracts to supply 3,435 automatic transmissions to Beijing Public Transport Holdings Ltd, to be installed in the Chinese capital's city buses. The first order for 1,110 units of the Torqmatic transmissions was received in early February 2006 with an additional order of 2,325 units awarded in April. Together, with a similar order of some 2,600 units awarded in 2005, it brought to over 6000 the number of buses equipped with Allison transmissions operating in Beijing by the end of 2006.

FTA has helped Talking Signs® of Baton Rouge, LA to commercialize its Remote Infrared Audible Signaling (RIAS) in Japan and Europe. Talking Signs® and its Japanese licensee, Mitsubishi Precision Company, are in the fourth year of a development project sponsored by the Ministry of Trade, Economy and Industry (METI) and involving NEC and Hitachi. The aim of the project is to develop an all-in-one handheld device including a cell phone, GPS, Talking Signs® RIAS, Bluetooth, radio and a compass for use by people with disabilities. The technology has been successfully tested, and officials working on the project are currently visiting cities in Italy, Germany, and Canada demonstrating this breakthrough technology.

FTA has been working with the U.S. and Foreign Commercial Service (USFCS) at the U.S. Embassy in Johannesburg to help South Africa upgrade its transportation system for the 2010 World Cup Games and beyond, using American equipment and technology. The USFCS fully expects two American companies to win a combined tender for 212 diesel locomotives in the near future. FTA and the USFCS are also supporting GE Rail Road Signaling Division in their bid to sell railroad signaling equipment/software and services to

both the urban passenger rail systems and the national freight systems. Signaling systems that are adopted in South Africa will likely also be used by other countries in the region.

As a result of the U.S./Russia Bilateral Trade Conference held during May, 2007 and co-hosted by FTA, one of the participating private-sector firms has already received several hundred orders for bus destination signs, and intends to set up an office in Russia.

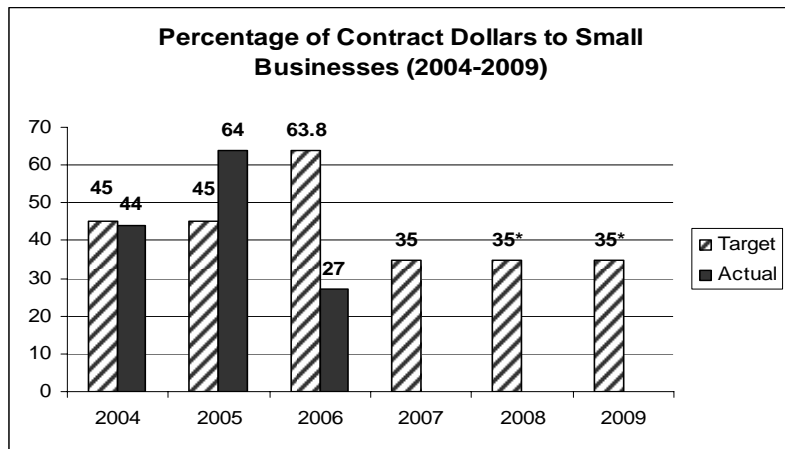
Performance Measure: Percentage of Contract Dollars to Small Businesses, Disadvantaged Business Enterprises, and Woman-Owned Businesses

FTA supports the Partnership Agreements between DOT and the Small Business Administration (SBA) by targeting a percentage of contract dollars for award to small, disadvantaged, and woman-owned businesses.

As indicated in the chart and graph below, in FY 2005, FTA exceeded its targeted 45 percent of contract dollars to small businesses by 19 percent. The target for FY 2006 was revised upward to 63.8 percent of contract dollars to small businesses as a result. In FY 2006, only 27 percent of total contract dollars went to small businesses. The target has now been adjusted to mirror the DOT target for percentage of contract dollars to small businesses.

Percentage of Contract Dollars to Small Businesses (%)						
	2004	2005	2006	2007	2008	2009
Target	45	45	63.8	35	35*	35*
Actual	44	64	27	N/A	N/A	N/A

*Targets are projected to match FY 2007 target.

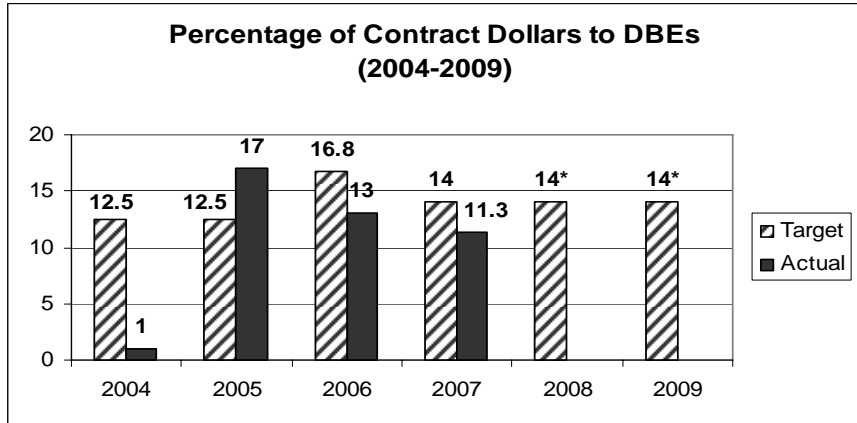


*Targets are projected to match FY 2007 targets.

FTA increased its contract dollars awarded to disadvantaged business enterprises between FY 2004 and FY 2005. In FY 2006, this percentage fell slightly to 13 percent from its high in 2005 of 17 percent of contract dollars.

Percentage of Contract Dollars to Disadvantaged Businesses (%)						
	2004	2005	2006	2007	2008	2009
Target	12.5	12.5	16.8	14	14*	14*
Actual	1	17	13	11.3**	N/A	N/A

*Targets are projected to match FY 2007 target. **Preliminary estimate.

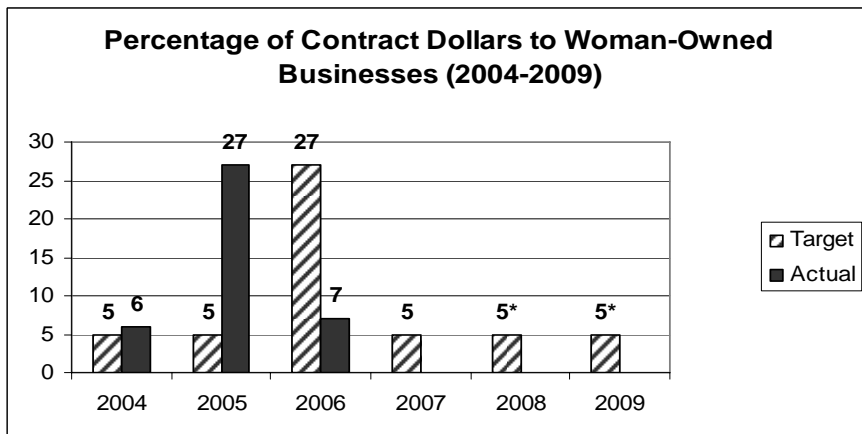


*Targets are projected to match FY 2007 targets. **Preliminary estimate.

FTA has enjoyed success in procuring contract agreements with woman-owned businesses. The chart and graph below demonstrate that FTA exceeded its target of 5 percent of contract dollars awarded to woman-owned businesses in both 2004 and 2005. The target for FY 2006 was increased to a level that paralleled the FY 2005 actual percentage of contract dollars awarded. FTA has subsequently revised this target again to match the DOT target for percentage of contract dollars awarded to woman-owned businesses.

Percentage of Contract Dollars to Woman-Owned Businesses (%)						
	2004	2005	2006	2007	2008	2009
Target	5	5	27	5	5*	5*
Actual	6	27	7	N/A	N/A	N/A

*Targets are projected to match FY 2007 targets.



*Targets are projected to match FY 2007 targets.

ANTICIPATED FY 2008 ACCOMPLISHMENTS:

FTA works to assist the U.S. public transportation industry access business opportunities in the global marketplace. Efforts over the past year have included the following activities and achievements:

- A Memorandum of Understanding between the United States and India was signed simultaneous to the visit of a U.S. delegation of transit professionals led by FTA during September, 2007. This MOU will facilitate market penetration of U.S. firms to assist India with its mounting congestion problems.
- As a result of the U.S./Russia Bilateral Trade Conference held during May, 2007 co-hosted by FTA, one of the participating private-sector firms has already received several hundred orders for bus destination signs, and intends to set up an office in Russia.
- Several U.S. companies have gained or increased shares of the Chinese market because of FTA's partnership with the Department of Energy to support public transportation initiatives in conjunction with the Beijing Olympics.
- Due to discussions with delegations from developing countries organized by FTA, two U.S. firms have been selected by the Rwandan government to carry out a feasibility study, and subsequently, implement a new bus system in Kigali. The governments of Nigeria and Burkina Faso are also studying proposals from U.S. engineering firms and equipment suppliers to upgrade their public transportation systems.
- Pursuit of technology transfer activities with those developed countries with which FTA has Memorandums of Understanding (e.g. Japan, Germany, France, and Brazil) to help U.S. companies enter international markets.
- Development of markets for U.S. transit exports through the continuation of the transit training and information diffusion program for developing nations in Latin America and Africa.

FY 2009 PERFORMANCE BUDGET REQUEST:

Research and University Research Centers – Trade Promotion, Technical Assistance, and Training - \$700 thousand

The funding request of \$700,000 will be used for trade missions, trade shows, and reverse trade missions. Funds will encourage meetings with foreign decision makers and foreign companies that are interested in purchasing U.S. transit goods and services.

Funding for the Trade Promotion, Technical Assistance, and Training program will support three strategic areas: market research, training, and technical cooperation. Market research

results in reports about foreign markets that are available to the U.S. domestic community. Training involves classroom courses held as well as site visits to U.S. transit operations, and assessments of foreign transit operations. Technical cooperation includes bilateral meetings and fact-finding missions to foreign operations that result in publications for the domestic transit industry.

Administrative Expenses - \$299 thousand

This is requested for administrative support to advance economic growth and international competitiveness by providing access to international markets for the export of domestic transit goods and services.

ENVIRONMENTAL STEWARDSHIP

Performance Goal: Promote Transportation Solutions that Enhance Communities and Protect the Natural and Built Environment

This funding request contributes to the DOT Environmental Stewardship strategic objective and helps to protect and enhance communities and the natural environment affected by transportation.

The request of \$439.142 million would allow DOT to provide grants to State and local governments, enabling them to protect and enhance their communities and the environment. Transit's ability to mitigate traffic congestion by reducing car travel contributes to a cleaner environment.

The resources requested to achieve this goal are:

FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, & Exempt Obligations
 (\$000)

PERFORMANCE GOALS & MEASUREMENTS BY	FY 2007	FY 2008	FY 2009
<u>PROGRAM ACTIVITIES</u>	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>
4. Environmental Stewardship			
Reduce Pollution Effects of Transportation			
1. Administrative Expenses	698	726	749
2. Formula and Bus Grants	311,119	328,995	354,442
3. Bus and Bus Facilities	45,300	74,300	78,701
4. Research and University Research Centers	<u>2,913</u>	<u>5,132</u>	<u>5,250</u>
Total – Environmental Stewardship FTE (Direct funded associated with this segment)	360,030	409,153	439,142
	5	5	5

General Overview: FTA is requesting \$439 million in FY 2009 program resources, including \$749 thousand in associated administrative expenses to help achieve this DOT strategic objective, by funding clean fuel buses, and research and technology development that can improve air emissions, thus helping to protect and enhance communities and the natural environment.

PERFORMANCE ISSUE:

Current trends in transportation increase pressure on environmental resources and energy. Commercial and personal travel is expected to continue to increase. Increased travel boosts transportation’s energy consumption that is tied to air emissions and greenhouse gasses (GHG), an emerging concern for the transportation sector which produces 26.8 percent of the GHG emitted in the U.S., and is increasing emissions faster than any other sector.

FTA Performance Measures: Increase by 2% per year the number of energy efficient and low emission vehicles in the transit industry.

Americans drive their 200 million cars and light trucks more than 2 trillion miles a year and emit more than half the air pollution nationwide. Transit has the potential to significantly reduce pollution without imposing more taxes or more government regulations. Energy savings are just as important. An astounding 43 percent of America’s energy is used for transportation—and a substantial amount of that is wasted because of highway congestion. Some examples of energy savings and environmental protections include:

- Each year, the use of public transportation saves the equivalent of 855 million gallons of gasoline – or 45 millions barrels of oil, the equivalent of about three months of energy used to heat, cool, and operate American homes.
- Current public transit use helps avoid the release of nearly 745,000 tons of carbon monoxide (CO)—roughly 75 percent of the CO emissions from all U.S. chemical companies.

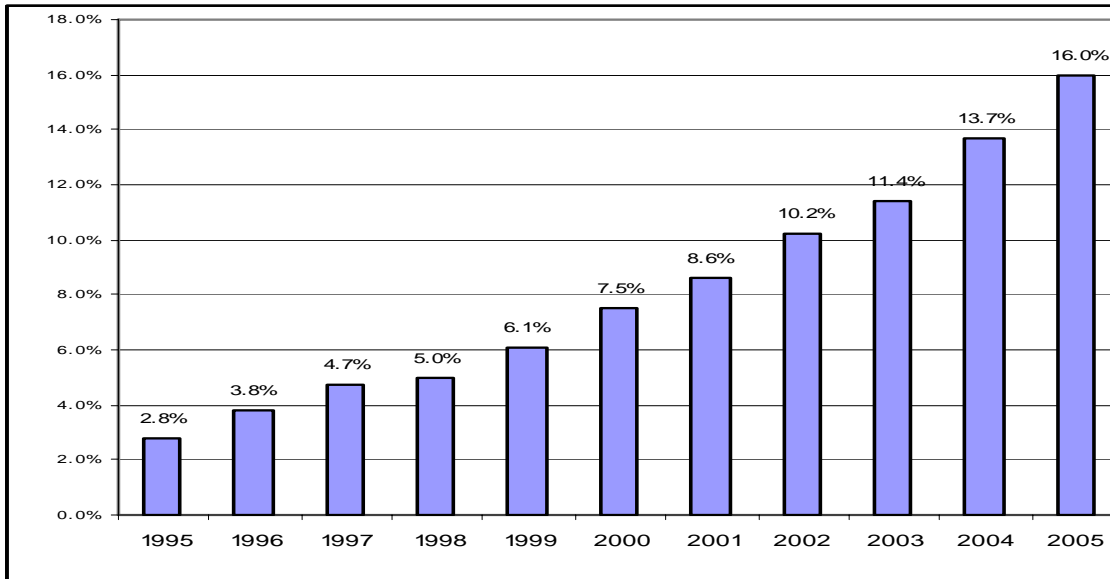
As part of FTA’s continuing efforts to maximize mobility and minimize fuel-related consumption and air pollution, FTA is striving to increase by two percent per year the deployment of energy efficient and low emission technology vehicles in the transit industry.

Alternative Fuel Bus Purchases ^{1/}									
Year	2001	2002	2003	2004	2005	2006	2007	2008	2009
Number of Buses (Projected)	3,933	4,011	4,092	4,173	4,257	4,342	4,429	4,517	4,608
Buses (Actual)	3,320	3,378	2,890	3,274	4,265	4,901			

1/ Includes buses 30-40ft, and buses under 30ft. These figures also include “clean diesel” powered buses.

One output of this measure is reflected in the increased share of the national bus fleet which uses alternative or ‘clean’ fuels. The national bus fleet using other than diesel or gasoline fuel rose from 2.8 percent in 1995 to 16.0 percent in 2006. Clean fuels encompass compressed natural gas, hybrid electric, battery, ethanol, liquefied natural or petroleum gas, kerosene, bio-diesel, grain substitute and other low or zero-emission technology fuels.

Percent of National Bus Fleet Using Alternative Fuels 1995-2005											
Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Alternative Fuel Fleet (%)	2.8%	3.8%	4.7%	5.0%	6.1%	7.5%	8.6%	10.2%	11.4%	13.7%	16.0%



FTA continues to examine practices and technologies that may lead to further improvements in air emissions and fuel-efficiency than an average automobile. Savings in the related energy costs will help lower the operating expenses of transit agencies.

Supplemental Department Performance Measure:

Median time to complete EIS ¹ for DOT-funded infrastructure projects.								
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Target:	N/A	N/A	N/A	35	30	30	30	30
Actual:	N/A	N/A	N/A	N/A	N/A			

Supplemental Department Performance Measure:

Median time to complete EAs ² for DOT-funded infrastructure projects.								
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Target:	N/A	N/A	N/A	12	12	12	12	12
Actual:	N/A	N/A	N/A	N/A	N/A			

¹ EIS – Environmental Impact Statement.

² EA – Environmental Assessment.

ANTICIPATED FY 2008 ACCOMPLISHMENTS:

- Continue the development of plans to identify areas of research required to address the need to improve electric drive propulsion technology that will result in reducing energy consumption and its negative effects on the environment.
- FTA's research and analysis on the effectiveness of new technologies such as hydrogen fuel cells and diesel hybrid electric engines will help reduce air pollution emissions and promote the increase of fuel efficient public transportation vehicles. Through funding targeted towards government-industry research and demonstration these efforts will provide considerable performance improvements in durability, efficiency, and cost reduction in fuel cell bus technology.
- Foster an increased market share of hybrid electric buses by promoting emission certification procedures for hybrid buses. FTA will provide guidance to the transit agencies on the full benefit of emissions reduction.
- In partnership with FHWA, support two National Transit Institute seminars providing outreach to the planning, transit, and highway communities on the links, for specific capital projects, between Statewide Planning, Metropolitan Planning, and NEPA Document Preparation, in order to improve the coordination of activities and to avoid the duplication of efforts.
- An estimated 6,300 buses (including 30-40ft buses and under 30ft buses) will be purchased with funds under the Urbanized Area Formula Grants, State Administered Programs and the Bus and Bus-facilities Program. A total of 1,980 are expected to be powered by propulsion alternative fueled propulsion systems, such as compressed nature gas, biodiesel, and hybrid-electric.
- Each year, Americans lose 3.7 billion hours and 2.3 billion gallons of fuel sitting in traffic. The President's budget proposes 15 existing and two pending full funding grant agreements that will carry approximately 346 million riders. Using the systems under construction and proposed in the President's request drivers will experience 128.7 million hours of reduced travel time annually. Approximately 100.3 million 346 million riders will have formerly used only an automobile for their commute.
- Removal of these automobiles would improve air quality by reducing 19 billion tons of CO₂ emissions annually.
- In FY 2006, formula program and bus and bus-facility funds were used to purchase 3,166, 30-40ft buses, and 2,798 buses under 30ft in length. A total of 480 of these buses were Compressed Natural Gas vehicles; 55 buses were Liquefied Natural and Petrol. Gas vehicles; 2 were powered with Methanol or Ethanol and 1,321 buses used other propulsion systems. A total of 3,037 were "clean diesel" powered vehicles.

FY 2009 PERFORMANCE BUDGET REQUEST

Formula and Bus Grants – \$433.142 million

Over the past several years, the funding provided through Formula Grants has allowed FTA to maintain its commitment of reducing air pollutants and greenhouse gases, thereby helping to protect and enhance communities and the natural environment by funding clean fuel buses. These base funds have provided the proper levels of formula and oversight funding to ensure that new transit projects help to protect and enhance communities and the natural environment. Having overall FTA activities implemented effectively and efficiently is essential to supporting DOT's performance goal of environmental stewardship. The FY 2009 request, based on the SAFETEA-LU amounts, is expected to help meet FTA's commitment to these performance measures.

The outputs of the Formula and Bus Grants program include investing in clean fuel buses that reduce the amount of harmful particulates emitted into the atmosphere. FTA estimates that this amount will be used by its grantees to purchase clean fuel buses nationwide, through clean fuel bus purchases under the Formula Grants programs.

In FY 2009, an estimated 5,200 buses with low emission and alternative fueled buses will be purchased with funds under the Environment Stewardship objective. This will contribute substantially to the Environmental Stewardship goal of reducing emissions.

Within the FY 2009 request is \$434,500 in Formula and Bus Grants from the Oversight takedown to provide for environmental requirements of FTA programs, including the goal environmental stewardship over major transit investments. These funds will support:

- Environmental Review Process Oversight including technical support of the environmental reviews of proposed transit projects.
- Environmental Management for New Starts including strengthened environmental streamlining and stewardship.

Research and University Research Centers – \$5.250 million

Research and University Research Centers funding aimed at providing energy efficient and low emission technology vehicles in the transit industry helps to advance research and technology development projects. New transit projects are being developed that assist in establishing a basis to protect and enhance communities and the natural environment. Helping to fund the energy efficient research projects is essential to furthering FTA's commitment to this performance measure which also contributes to the foundation of DOT's performance goal of environmental stewardship. The FY 2009 request is expected to help meet FTA's commitment to this performance measure.

These funds will support:

- Clean Fuels & Electric Drive Bus Deployment (Hybrid Electric) Program – FTA is requesting \$3.3 million in FY 2009 for its Clean Fuels and Electric drive Bus Deployment (Hybrid Electric) program in response to FY 2006 Congressional direction for FTA to encourage deployment of new low emission technology, including hybrid electric buses. FTA’s Hybrid Electric program will develop a comprehensive approach to address existing barriers within the transit industry to the adoption and deployment of new low emission technology.
- Research on technologies and methods to reduce energy consumption (electric or fuel) of rail systems. Rail systems consume considerable energy resources (either through the electric grid or through fuels) that are a substantial proportion of operating costs. Research will examine wayside energy storage substations, regulation and reduction of peak power demand, use of regenerated energy, and reducing voltage.
- The DOT Center for Climate Change and Environmental Modeling creates comprehensive and multi-modal approaches to reduce transportation-related greenhouse gases and to mitigate the effects of global climate change on the transportation network.
- Promotion of Environmental Management Systems and expansion of the scope of transportation planning to fully integrating land use, economic development, and environmental quality considerations into the planning process.

Both the Research and University Research and the Formula and Bus Grants programs are linked to the FTA-level measures of reducing transit-related emissions. Funding from the Formula and Bus Grants program will be used to invest in clean fuel buses that reduce the amount of harmful particulates emitted into the atmosphere.

The results of these FTA-level measure achievements contribute to the DOT level outcomes of helping to protect and enhance communities by accomplishing the following:

- Funding clean fuel buses, such as hydrogen fuel cells and diesel hybrid electric engines to reduce air pollution emissions and increase the fuel efficiencies of public transportation vehicles.
- Fostering increased market share of hybrid electric buses by promoting emission certification procedures for hybrid buses and provide guidance to transit agencies to obtain the full benefit of emissions reduction
- Addressing research needs that will improve electric drive propulsion technology thereby reducing energy consumption and negative effects on the environment.
- Providing funding for the environmental review process Oversight including technical support of the environmental reviews of proposed transit projects.
- Providing funding for environmental management for New Starts including strengthened environmental streamlining and stewardship.

Administrative Expenses – \$749 thousand

This is requested for administrative support to provide the necessary grants to state and local governments, enabling them to protect and enhance their communities and the environment.

FTA will promote transportation solutions that enhance communities and protect the natural and built environment. We will support use of innovative environmental practices by our grantees in the research, planning, design, construction and operation of public transportation systems.

SECURITY, PREPAREDNESS AND RESPONSE

Performance Goal: Assist transit agencies in developing emergency plans, conducting drills and providing security training

The request of \$48.3 million contributes to the DOT Security, Preparedness and Response strategic objective to balance transportation security requirements with the safety, mobility, and economic needs of the Nation and be prepared to respond to emergencies that affect the viability of the transportation sector. The key outcomes include all modes within DOT successfully completing steps that would prepare them for a rapid recovery of transportation from intentional harm and natural disasters.

FTA designed and delivered to the top 30 transit agencies an enhanced security program that prioritizes implementation of improvements that resulted in:

Enhanced Public Awareness: Ensuring that 100% of the 30 largest transit agencies:

- Develop protocols that specify the content and frequency of announcements based on threat scenarios and the Homeland Security threat levels.
- Address unattended baggage procedures in their public awareness messages.
- Post signage that informs the riding public of emergency evacuation procedures.

Emergency Preparedness: Ensuring that 100% of the 30 largest transit agencies:

- Update emergency management plans at least annually.
- Conduct tabletops annually; 90% of these agencies conduct regional, inter-agency drills annually.

FTA is updating its measure of whether the transit agencies have public awareness programs to guard against acts of intentional harm and natural disasters.

The resources requested to achieve this goal are:

**FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, & Exempt Obligations
(\$000)**

<u>PERFORMANCE GOALS & MEASUREMENTS BY PROGRAM ACTIVITIES</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Enacted</u>	<u>FY 2009 Request</u>
5. Security			
Security, Preparedness and Response			
1. Administrative Expenses	558	580	599
2. Formula and Bus Grants	40,649	44,215	46,917
3. Research and University Research Centers	<u>1,150</u>	<u>2,000</u>	<u>800</u>
Total – Security	42,357	46,795	48,316
FTE -Direct funded associated with this segment	4	4	4

General Overview: The request of \$48.3 million in FY 2009 will provide funds to improve transit security and emergency preparedness. FTA will use these funds to enhance and promote public transit security through oversight, technical assistance, and research in close partnership with the Department of Homeland Security (DHS).

PERFORMANCE ISSUE:

FTA’s strategic security approach incorporates employee training, emergency preparedness, and public awareness through oversight, technical assistance, and research programs.

Transit is a critical, high risk and high consequence national asset. Every day, transit provides mobility to millions of Americans in our most densely populated urban areas and serves the largest economic and financial centers in the nation. Transit moves more than 14 million passengers every workday, on transit systems that range from very small bus-only systems in rural communities to very large multimodal systems in urban areas that may combine bus, light rail, subway, commuter rail, and ferry operations. FTA provides guidance and information to these agencies, helping to ensure preparedness in the case of an emergency.

Transit systems are designed to provide not only open, easy access to passengers, but also to operate under or alongside our largest business and government buildings, intermodal transportation centers, and many of our nation’s most visible public icons. Public transportation has been a frequent target of terrorism, evidenced most recently by the Mumbai train bombings in July 2006. The Mumbai attacks, as well as those in London, Madrid, and Tokyo, have exposed existing vulnerabilities and the need to make transit security a top priority.

FTA is limited by statute in its authority to regulate transit security. Under 49 U.S.C. Sections 5307(d) and 5324(c)), FTA is prohibited from regulating the day-to-day “operation” of mass transit systems. FTA does not dictate the specific means or methods that mass transit operators use to ensure security. However, FTA requires its large grant recipients to both establish comprehensive safety and security programs and demonstrate their technical capacity to carry out those programs.

FTA will continue to work closely with the Department of Homeland Security’s (DHS) Transportation Security Administration (TSA), and Office of Grants and Training –G&T (formerly Office of State and Local Government Coordination and Preparedness – SLGCP) to apply their respective expertise and knowledge to the transit industry. This relationship, now formalized through the execution of the DOT/DHS Memorandum of Understanding’s Public Transit Annex will enable FTA to leverage its expertise and resources to maximize effective transit security coordination.

The Inspector General (IG) has suggested that agencies need to “ensure continued vigilance in protecting taxpayer funds spent for relief and recover efforts” in responding to National disasters and emergencies – assisting citizens and facilitating transportation infrastructure

reconstruction. FTA has a proven record of accomplishment in management of over \$4.5 billion in emergency funding made available for infrastructure reinvestment after the terrorists attacks of September 11, 2001 and almost \$88 million provided by FEMA in the aftermath of the 2005-2006 Hurricanes Katrina and Rita.

FTA has been directly involved in the Lower Manhattan Recovery effort since the immediate aftermath of the September 11, 2001 terrorist attack on the World Trade Center, providing technical support and emergency funding in coordination with Federal, state, and local agencies. The FTA Lower Manhattan Recovery Office's (LMRO) mission is to deliver a project development and oversight program for construction projects leading to transportation recovery and economic revitalization in Lower Manhattan. In achieving its mission, the LMRO program will model streamlined project delivery and strong stewardship of Federal investment.

Most recently, FTA has been involved in the monitoring almost \$88 million of FEMA resources provided to the New Orleans Regional Transit Authority (NORTA), and the State of Louisiana to provide bus services and rebuild bus operations in New Orleans and the surrounding rural areas in the gulf region. FTA dedicated regional staff on site to monitor disaster response and recovery efforts. Staff monitored the number of bus pull outs, to ensure adherence to planned routes, reviewed NORTA's invoices, and verified rates they charged FEMA for conducting service. FTA conducted several reviews of NORTA's technical and financial capability to manage federal dollars. In addition, multiple oversight reviews were conducted including: financial management, project management, Triennial review, and planning certification reviews. FTA currently has a Project Management Oversight contractor assigned to New Orleans to oversee capital projects.

ANTICIPATED FY 2008 ACCOMPLISHMENTS:

FTA recommends a systems approach for enhancing and promoting transit industry security. The Transportation Research Board's security report, "Deterrence, Protection and Preparation" suggests 'layered security systems' that are well integrated throughout transportation operations. Such security systems have integrated concentric features (e.g., fencing, security patrols, and closed circuit television), so a breach of any one layer will not defeat the entire system. Each layer provides backup for the others.

FTA has identified three strategic priorities with regard to security: training, planning, and public awareness. Transit employees will be trained to deter, detect, mitigate, and respond to a variety of emergency scenarios. FTA will encourage local agencies to have emergency plans in place and routinely practice them. Finally, increased public awareness will ensure that passengers can identify suspicious or unusual behavior, communicate with transit officials, and exit safely in the event of an emergency.

Fundamentally, security should be built into all aspects of transit systems, as new assets are designed and constructed and existing infrastructure is maintained and modernized. These concepts are advocated throughout FTA's comprehensive security program guidance. Transit agencies across America have embraced FTA's guidance and recommended action

items, resulting in strengthened security systems and enhanced emergency response plans. FTA's specific security program accomplishments include:

- Completing on-site security and emergency management technical assistance to the fifty largest U.S. transit systems by deploying multi-disciplinary teams, including experts on anti-terrorism, security, and transit operations. FTA's technical assistance teams identified gaps in the fifty transit agencies' security programs and provided specific products to address the gaps. The program will also develop a final report that includes "best practices" and "lessons learned" sections, to be distributed to all transit agencies.
- Working with the FBI and DHS to enhance collaborative relationships between transit agencies and local FBI officials, including participation in the FBI's Joint Terrorism Task Force in their respective communities.

Performance goal: Emergency Preparedness - Ensuring that 100% of the 30 largest transit agencies:

- Update emergency management plans at least annually.
- Conduct tabletops annually; 90% of these agencies conduct regional, inter-agency drills annually.

FY 2009 PERFORMANCE BUDGET REQUEST:

Formula and Bus Grants - \$46.917 million

Recipients of Section 5307 formula funding are required to use at least one percent of the amount received each fiscal year on "mass transportation security projects." Projects include increased lighting in or adjacent to a mass transportation system, increased camera surveillance of an area in or adjacent to that system, providing an emergency telephone line to law enforcement or security personnel, and any other project intended to increase the security and safety of an existing or planned public transportation system. In FY 2009, based on FTA's funding request for Formula and Bus Grants, \$45.2 million will be used by grantees on projects that increase the security and safety of their transit systems, unless the grantee certifies and the Secretary of Transportation accepts that the expenditure for security projects is unnecessary. These funds are an integral portion of the Urbanized Area Formula Grants for safety and security capital projects. In addition, \$1.7 million in oversight resources will develop technical guidance designed in make bus and rail transit systems more secure in the event of terrorist attacks or natural disasters.

With the passage of SAFETEA-LU, capital projects for security and crime prevention have been expanded to include: 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 security training for public transportation employees.

FTA is working with the transit industry to identify critical, high-risk assets and operations, and is developing a broad range of strategies to increase security. These strategies must become an integral part of daily transit operations and will include a special emphasis on

training, as well as technical assistance, guidelines, best practices, and testing of available technologies for intrusion detection, surveillance, and chemical and biological substance detection.

FTA's "next generation" technical assistance to transit agencies will assist them in updating and enhancing their security system programs. The next generation security technical assistance program will be:

- comprehensive – by providing value to large, medium, and small transit operators;
- systematic – by building on existing security initiatives (such as the application of FTA's Top 20 Security Action Items List) and lessons learned, offering state-of-the-art industry guidance, and establishing/reinforcing consistent industry practices, protocols, plans, etc.;
- flexible – by tailoring the overall strategic level approach and delivery of products to fit the specific tactical level needs of individual transit agencies; and
- responsive – by aligning program resources in priority with relative risk levels.

FTA will continue to work closely with TSA to activate and fully implement security programs per the terms of the MOU Public Transit Annex. FTA will provide subject matter expertise to DHS, assessing transit industry security gaps and working with DHS to fill such gaps through oversight, technical assistance, and research.

Research and University Research Centers - \$800 thousand

With funds dedicated to research in FY 2009, FTA will:

- Continue to provide a comprehensive training curriculum and collaborate with industry stakeholders to develop strategies to maximize the number of transit employees receiving security training, including advanced, job specific security training for transit police and front-line employees.
- Provide "Connecting Communities" regional emergency management forums at numerous locations throughout the country, bringing transit security officials together with other key regional security, law enforcement, and emergency management responders to share information, coordinate resources, and assess needs.

Administrative Expenses - \$599 thousand

This amount is requested for administrative support to assist transit agencies in developing enhanced public awareness programs, to provide stronger deterrence against terrorist acts and to improve emergency preparedness efforts further.

ORGANIZATIONAL EXCELLENCE
Performance Goal: Implement the President's Management Agenda

The Federal Transit Administration (FTA) request of \$31.5 million contributes to the Department's Organizational Excellence strategic objective and to the goal of implementing the President's Management Agenda (PMA).

Requested funding will allow FTA to achieve a "green" rating on the PMA scorecard for the five major government-wide PMA initiatives: Strategic Management of Human Capital; Competitive Sourcing; Improved Financial Performance; Expanded Electronic Government; and Budget and Performance Integration.

The resources requested to achieve this goal are:

FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, & Exempt Obligations
(\$000)

<u>PERFORMANCE GOALS & MEASURES BY PROGRAM ACTIVITIES</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Enacted</u>	<u>FY 2009 Request</u>
6. Organizational Excellence			
Strategic Management of Human Capital			
1. Administrative Expenses	3,082	3,171	3,800
FTE	18	18	18
Competitive Sourcing			
1. Administrative Expenses	279	290	299
FTE	2	2	2
Improved Financial Performance			
1. Administrative Expenses	6,252	7,781	8,759
2. Formula and Bus Grants	2,470	2,470	3,400
3. Research and University Research Centers	0	0	384
FTE	24	24	24
Expanded Electronic Government			
1. Administrative Expenses	9,529	11,600	12,972
2. Formula and Bus Grants	250	250	0
3. Research and University Research Centers	259	204	207
FTE	15	15	15
Budget and Performance Integration			
1. Administrative Expenses	1,534	1,596	1,647
FTE	<u>11</u>	<u>11</u>	<u>11</u>
Total - Organizational Excellence	23,665	27,362	31,468
FTE	70	70	70

General Overview: In FY 2002, the President identified his Administration's strategy for improving the management and performance of the Federal government. The PMA includes five core government-wide goals: Strategic Management of Human Capital; Competitive Sourcing; Expanded Electronic Government; Improved Financial Performance; and Budget and Performance Integration. During FY 2005, the following three initiatives were added: R&D Investment Criteria; Eliminating Improper Payments; and Real Property Management. FTA uses strategic and performance planning to ensure that the organization achieves its objectives and goals, and is committed to embodying the President's goals of a citizen-centered, results-based, and market-oriented government. FTA requests \$31.5 million to implement the five core government-wide initiatives and to continue work towards developing a quality organization.

1. Strategic Management of Human Capital

PERFORMANCE ISSUE

The entire Federal government faces an impending wave of retirements by highly competent Federal employees, which will create a large-scale strategic human resource planning issue. FTA must plan now to maintain required levels of experience, competencies, and knowledge in its workforce. Succession planning, as well as managing and maintaining adequate institutional knowledge, will be crucial for FTA's ability to carry out its functions during this period of high workforce turnover.

In FY 2001, an internal analysis projected that by FY 2008, 40 percent of FTA's total workforce would be retirement-eligible. Recognizing the potential for a wave of retirements and FTA's vulnerability to losing valuable expertise and institutional knowledge, the agency chose to address the situation by offering voluntary early retirements and buyouts during FY 2004 and FY 2005. This has given FTA the flexibility to recruit the skill-mix needed to meet the ongoing and future demands of the agency and to improve the impact of its programs and its focus on customers.

To help address its human capital challenges, FTA made the number one goal in its Annual Performance Plan to "Attract and Retain the Best People." Specific action items to address this goal include an aggressive recruitment strategy: to market FTA to prospective employees in the Federal government and private sector; to streamline the hiring process; and to target new hires in the core occupations that have shortages. Since FY 2005, FTA has hired 16 Presidential Management Fellows (PMF), six Career Residency Program Participants (a Departmental intern program similar to the Office of Personnel Management's PMF Program), and two Outstanding Scholars for key occupations throughout the agency.

It is estimated that FTA expends approximately 35 FTEs annually on contract management oversight. The accelerated growth in FTA program funding of more than 90 percent over the last decade, as well as large increases in the number and complexity of capital projects, has put a strain on contract management. FTA's FY 2006 Human Capital and Workforce Plans identified the contract management function as a core competency gap.

The quality and effectiveness of the federal acquisition process depends on the development of a capable and competent workforce. A well-trained acquisition workforce is necessary to ensure that FTA accomplishes its mission goals effectively and responsibly. Program and project managers are accountable for the planning, programming, budgeting, and acquisition of major investments and capital assets. Skilled program and project managers are critical in developing accurate government requirements, defining measurable performance standards, and managing contractor activities to ensure that intended outcomes are achieved.

The Services Acquisition Reform Act of 2003 expanded the definition of acquisition to include functions performed by program and project managers, such as requirements development, performance management, and technical direction. The Office of Federal Procurement Policy built upon this broader definition of the acquisition workforce and required the Federal Acquisition Institute (FAI) to make recommendations for a program and project management certification program. The Department partnered with FAI and other federal agencies across the federal spectrum to recommend the competencies and framework for this program. A draft policy on the Federal Acquisition Certification for Program and Project Managers (FAC-P/PM) was issued by the Office of the Secretary in January 2008.

In FY 2007, FTA launched a long-term continuous improvement process based on the Baldrige National Quality Program. The program is rooted in the beliefs of Malcolm Baldrige, President Reagan's Secretary of Commerce, who advocated an approach to management that he felt would make American industry more competitive in the global economy. His philosophy was to focus on key principles, such as: actively anticipating the market for future products; continuously improving products and services; encouraging organizational and personal learning; using technology and training to improve work processes; and opening the lines of communication, in an effort to promote more effective organizational management. The Baldrige National Quality award is awarded each November to one organization in each category of applicants that best embodies the Baldrige principles.

FTA's Baldrige process began with a broad profile of the organization and its customers, people, partners, products, markets, mission, vision, and values. This was followed by self-assessments in six areas -- leadership, strategic planning, customer focus, knowledge management, human resources focus, and work processes. The strength and opportunities for improvement identified during the application process provided the foundation for FTA's FY 2008 Annual Performance Plan. Among other improvements to come from the process were FTA's appointment of an information management expert, the training and certification of an FTA employee as a Baldrige Examiner, and the creation of an agency-wide change manager program.

ANTICIPATED FY 2008 ACCOMPLISHMENTS

- To continue to invest in human capital to enable FTA to recruit and retain the talented and diverse workforce essential to achieve Departmental and FTA performance objectives.

- To complete the realignment of office staffing levels, begun in FY 2007, to meet the increased workload demands of the Safe, Affordable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU). Implementing SAFETEA-LU has required over 60 products, including 17 regulations, 19 reports, and 29 program guidance documents. Significant changes to FTA’s workforce have taken place during the past year, including shifts to specific job series such as engineers, transportation program specialists, planners, and financial specialists.
- To achieve increased productivity through high employee morale and to implement a continuous improvement plan that includes: an avenue for employee and public suggestions; increased access to senior leadership; 360 degree performance evaluations for managers; increased job rotation opportunities for employees; and performance appraisal training for managers.
- To align employee performance agreements with the Department’s Strategic Plan and to make meaningful distinctions in levels of performance, so that superior performance is recognized and rewarded and that action is taken to address poor performance.
- To train and certify, in accordance with the Department’s FAC-P/PM policy, all program and project managers assigned to programs and projects considered major acquisitions/ investments.
- To continue training FTA change managers in Baldrige principles and the acquisition of expert support in developing Baldrige reporting practices throughout the agency. In early FY 2008, a winner of the 2007 Baldrige Award in the nonprofit category (Armament Research, Development, and Engineering Center) gave extensive briefings to agency staff on its approach to the process.

FY 2009 PERFORMANCE REQUEST

Administrative Expenses - \$3.8 million

Of the total, \$839,000 will provide for employee training and career development. In addition to individual training courses provided by the U.S. Department of Agriculture Graduate School and other sources, requested funding will enable FTA employees to attend various leadership sessions, such as those held at the Federal Executive Institute and the Transit Academy. FTA’s central training program also includes funding for new employee orientation, employee relations, team building, etc. Another \$266 thousand will provide for student loan repayments and the Department’s honors attorney program. The remaining \$2.7 million will support 18 full-time equivalent (FTE) work years of effort and a proportionate share of infrastructure and supply costs to sustain them.

2. Competitive Sourcing

PERFORMANCE ISSUE

Competitive Sourcing is the PMA initiative that opens government activities to competition with the private sector. The process of competition provides an imperative for the public sector to focus on continuous improvement and for removing roadblocks to better performance and greater efficiency. The objective is to focus on the most effective and efficient way of accomplishing the agency's mission, regardless of whether it is done by civil servants or contractors. The Department's efforts to determine whether current functions can be more efficiently performed by the private sector guides each modal administration's direction under this PMA initiative. FTA participated in the Department's Federal Activities Inventory Reform Act assessment, which requires each Federal agency to report inventories of commercial jobs performed by Federal employees by June 30th of each year. FTA estimates that approximately 35 percent of its current staffing is provided by the private sector, primarily in the areas of IT support and application development and project management oversight.

ANTICIPATED FY 2008 ACCOMPLISHMENTS

- To continue the process of acquiring contractor assistance to develop options, to provide expertise, and to develop competitive sourcing strategies regarding direct conversions and cost comparisons.
- To support and participate in the Department's pilot program to link human capital and competitive sourcing.
- To participate in the Department's Competitive Sourcing Executive Steering Committee meetings to review cross-functional areas for potential competitive sourcing study.

FY 2009 PERFORMANCE REQUEST

Administrative Expenses - \$299 thousand

The requested amount will support two FTEs and a proportionate share of infrastructure and supply costs to sustain them.

3. Improved Financial Performance

PERFORMANCE ISSUE

The President's vision for improving financial performance is that Federal managers have accurate and timely information to manage costs. To meet this vision, the improved financial performance initiative strives to ensure Federal financial systems produce accurate and timely information to support operating, budget, and policy decisions. With this initiative,

the Federal government looks to provide additional program services while reducing program costs and to provide improved accountability to the American people through audited financial reports.

The Office of the Inspector General has stated that the Department's ability to achieve its strategic goals of increased mobility, improved safety, and sustained economic growth undoubtedly will be challenged in the face of an unprecedented Federal deficit of about \$374 billion. Aggressive oversight is needed to ensure that the \$10 billion annual Federal investment in transit projects is well managed and protected from fraud. Improvements to project oversight and efficiency can lead to major results.

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. New guidance has been issued that 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 performed FMFIA and Office of Management and Budget (OMB) Circular A-123 compliance assessments and documented and tested 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.

In response to this PMA initiative and other Federal financial requirements, FTA has successfully implemented its Managerial Cost Accounting (MCA) system. MCA practices are recognized as a valuable tool in aiding Federal agencies' efforts to demonstrate accountability in financial accounting, budgeting (allocating resources), and managing programs. FTA's MCA system fully cost accounts all administrative and program funds and calculates the percentage distribution by Departmental Strategic Goal for FTA's Statement of Net Cost. Metify software integrates labor-hours with grant obligations reported in the Transportation Electronic Award and Management (TEAM) grant-making system and with administrative obligations reported in the Delphi accounting system. Labor Distribution Reporting (LDR), expenses, and obligations are captured in a report that is distributed on a quarterly basis to managers and other interested agency staff. LDR participation targets set in early FY 2007 were met, with FTA now maintaining employee participation at 85 percent or above.

In FY 2007, FTA transferred its Electronic Clearing House Operations (ECHO) grants payment database processor to an Oracle environment on a web-accessible platform. This major accomplishment will ensure that financial systems applications and controls operate in a more secure and compliant environment. The agency also completed a certification and accreditation of ECHO in FY 2007 in conjunction with the Department's IT consolidation initiative and relocation of all system applications to the new headquarters building.

ANTICIPATED FY 2008 ACCOMPLISHMENTS

- 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 2007 financial statements. A clean financial audit is a basic prescription for any well-managed agency.
- To begin the upgrade of the Delphi accounting system to Oracle 12.FSIO, which will require a total reimplemention 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.
- To adjust the MCA system task and program area lists to reflect feedback from FTA employees. This will include adding new tasks and consolidating older tasks to reflect a changing workload. FTA will also enhance its MCA system to include additional performance metrics, and to provide a more automated reporting module that can be accessed by multiple users.
- To begin using LDR as an agency management tool. Capturing labor-hours by project tasks will enable FTA management to quantify the amount of resources committed to projects and programs and to determine workload assignments, to make staffing decisions, and to shift program responsibilities.

FY 2009 PERFORMANCE REQUEST

Formula and Bus Grants - \$3.4 million

These funds will support financial and procurement oversight projects funded from the oversight takedown from formula grant activities. Procurement oversight safeguards Federal investments by helping to provide oversight of grantees' procurement systems. The procurement system reviews determine if grantees' systems meet the requirements of the Common Rule and advise FTA about the effectiveness of each grantee's procurement system.

Research and University Research Centers - \$384 thousand

Requested funding will provide for enhancements to FTA's MCA system, including transitioning its software from a stand-alone desktop setup to a server-based setup. This will result in automation of reporting, faster run times of data for accounting, the addition of more complex performance metrics, and the ability for multiple users to customize their own reports rather than relying on a single point of contact for MCA analysis.

Administrative Expenses - \$8.8 million

A total of \$3.6 million will provide for 24 FTEs and a proportionate share of infrastructure and supply costs to sustain them. Additionally, \$2.8 million will support major capital investments in FTA's key financial systems, including its Delphi accounting system, the ECHO grants payment system, and the Prism acquisition system. A total of \$2.3 million is requested to provide for: centralized accounting operations provided by the ESC; FMFIA and OMB Circular A-123 support; and the annual audit of FTA financial statements.

Performance Measure: Percentage of major FTA Federally-funded infrastructure projects that meet schedule milestones established in project or contract agreements, or that miss them by less than 10%

	2003	2004	2005	2006	2007	2008	2009
Target	95	95	95	95	95	95	95
Actual	50	75	100	100	100		

Performance Measure: Percentage of major FTA Federally-funded infrastructure projects that meet cost estimates established in project or contract agreements, or that miss them by less than 10%

	2003	2004	2005	2006	2007	2008	2009
Target	95	95	95	95	95	95	95
Actual	75	75	100	100	100		

4. Expanded Electronic Government

PERFORMANCE ISSUE

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 (GPRA) of 1993, establishing 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, which 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, which requires agencies to perform their information resources management activities in an efficient, effective, and economical manner;
- The Clinger-Cohen Act of 1996, which 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, which requires agencies to integrate information technology (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;
- The Electronic Government Act of 2002, which requires agencies to support government-wide electronic government (E-gov) initiatives and to leverage cross-agency opportunities to further E-gov. The Act also requires agencies to establish a process for determining which government information the agency intends to make available and accessible to the public on the Internet and by other means. In addition, the Act requires agencies to conduct and submit to OMB privacy impact assessments for all new IT investments administering information in identifiable form collected from or about members of the public; and
- The Federal Records Act, which requires agencies to establish standards and procedures to assure efficient and effective records management. The National Archives and Records Administration (NARA) issues policies and guidance for agencies to meet their records management goals and requirements. NARA also provides policies and guidance for planning and evaluating investments in electronic records management.

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 government's E-gov initiative serves citizens, businesses, and Federal employees by delivering high quality services more efficiently at a lower price. Instead of using expensive, "stove-piped" operations, agencies should work together to develop common solutions that achieve mission requirements at reduced cost, thereby making resources available for higher priority needs. The Administration's goal is to champion a citizen-centered, E-government that will result in major improvements in the Federal government's value to its citizens.

ANTICIPATED FY 2008 ACCOMPLISHMENTS

- To evaluate the need to update policies considering reviews, concurrences, and approvals in the TEAM grant-making system. FTA's goal is to reach consistency across its 10 regional offices on the application of requirements. The agency will use

guidelines to be issued by the Office of the Secretary on background investigations of contractors and will revise its guidelines accordingly.

- To increase the number of telecommuters by supplying portable technology equipment at the desktop level. Since these devices will be configured within agency standards, security in FTA's telecommuting program is enhanced.
- To convert remaining paper processes to electronic program interfaces to other financial and reporting systems; to develop the Web-enabled links that secure exchange solicitation documentation, past performance data, cost estimates and technical proposals with contractors and evaluation data with FTA program personnel. The Prism acquisition system will also be used to track and record purchase card transactions and will enable FTA to acquire goods and services more quickly and efficiently, thereby shortening the acquisition cycle and costs to internal and external customers.
- To increase participation in the Capital Planning Investment Control process. FTA will also provide for role-based training for system owners and administrators.
- To expand the window of operation of the Information Technology Customer Support Center (IT helpdesk) to provide Tier 1 (telephonic) support for those sites that operate in different time zones, allowing for the same level of service for core business hours in each local time zone.
- To use the Executive Information System to provide dynamic information and mission deliverable results pertaining to financial and program areas, which are required by the OMB, the Government Accountability Office (GAO), and Congress.
- To take aggressive action to track and reconcile Reimbursable Agreements (RA), to place more emphasis on confirming receiver RA data when applicable, to ensure that discrepancies are resolved, and to correct historical transactions that contain incorrect trading partner codes.

FY 2009 PERFORMANCE REQUEST

Research and University Research Centers - \$207 thousand

In the fall of 2001, OMB and Federal agencies identified 24 E-government initiatives. Operated and supported by agencies, these initiatives are providing high-quality and well-managed solutions for tax filings, federal rulemaking, and E-training, among others. E-Authentication is a separate initiative that provides secure and robust authentication services to the 24 initiatives. Requested funding will provide for the following E-government initiatives.

- Grants.gov (\$160,650) – creates a single portal for all Federal grant customers to find and apply for grants online. FTA is using Grants.gov for discretionary grant programs rather than collecting grant application data via TEAM. Grants.gov has helped FTA prepare for the future in terms of standardizing grant data and processes. The site will also help the agency prepare for TEAM’s transition to a Grants Management Line of Business or a technical refresh.
- Integrated Acquisition Environment (\$6,568) – consists of nine government-wide integrated systems facilitating, unifying, and streamlining each phase of the federal acquisition process. Without these systems, the Department would need to build and maintain separate systems to record vendor and contract information and to post procurement opportunities. Agency purchasing officials would not have access to databases of important information from other agencies on vendor performance and could not use systems that replace paper-based and labor-intensive efforts. For FY 2006, the Department received estimated benefits of \$659 thousand based on the processes, personnel, roles, steps, and actions involved. In addition, the Department realized an estimated cost avoidance of \$37 thousand and estimated operational cost savings of \$204 thousand.
- Disaster Management (\$1,776) – helps citizens and members of the emergency management community at the local, tribal, state, and Federal levels by improving public safety response through more effective and efficient interoperable data communications and to serve as a unified point of access to disaster preparedness, mitigation, response, and recovery information. The DisasterHelp.gov portal, which is a source of disaster-related information, is available to the government, citizens, businesses, and other organizations.

In the spring of 2004, OMB announced the formation of five Lines of Business (LoBs) task forces. These five initiatives were identified by a thorough review of agency enterprise architecture data. The task forces are analyzing this data to identify ways in which services commonly found in numerous agencies can be provided in a more efficient manner. Requested funding will support the following LoBs.

- Financial Management (\$6,543) – initiative vision: to improve the cost, quality, and performance of financial management (FM) and to reduce non-compliant systems by leveraging common standards, by sharing service solutions, and by implementing other government-wide reforms that foster efficiencies in Federal financial operations. As the Department’s customer base continues to grow, it can create economies of scale and use the growth to gain leverage with the FM software vendor community.

- Grants Management (\$17,006) – initiative vision: to create a government-wide solution to support end-to-end grants management activities that promote citizen access, customer service, and agency financial and technical stewardship. The benefit to FTA will be having a centralized location to download all applications, to make awards, and to track awards to closeout. Automated business processes available through consortium service providers will decrease agency reliance on manual and paper-based processing. Service to constituents will be improved through the standardization and streamlining of government-wide grants business processes. The public will receive time savings as a result of quicker notification and faster payments due to an automated system for grants processing.
- Human Resources Management (\$1,245) – initiative vision: to implement government-wide, modern, cost effective, standardized, and interoperable human resource (HR) solutions providing common core functionality to support the strategic management of human capital. Through its adoption of an approved service provider, the Department can achieve the benefits of “best in class” HR solutions without the cost of developing and maintaining its own HR systems. Employees across the Department will benefit from improved HR services.
- Budget Formulation and Execution (\$12,811) – initiative vision: to implement modern, interoperable, cost effective, and optimized solutions supporting all phases of the formulation and execution of the Federal budget and linking budget formulation, execution, planning, performance, and financial information.

Administrative Expenses - \$13 million

A total of \$2.2 million will provide for 15 FTEs and a proportionate share of infrastructure and supply costs to sustain them. In addition, FTA requests \$10.7 million for the following IT investments in FY 2009 to help meet the agency’s strategic goals and mission and to support the PMA.

IT Investment (\$000)	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request
Common Operating Environment/ Infrastructure <i>(Includes desktop, server, directory, and messenger services, all of which are billed through the Department's WCF)</i>	\$2,511	\$2,748	\$2,769
TEAM Grant-Making System	2,561	2,843	3,375
Enterprise Architecture <i>(Includes licensing and support)</i>	187	225	225
Web Applications <i>(Includes Westlaw legal research services and internal applications support)</i>	1,876	1,550	1,802
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>	1,413	1,700	1,727
Technology For Mission Support <i>(Includes IT equipment maintenance, repairs, upgrades, and replacement and certification and accreditation of FTA IT systems)</i>	200	181	456
Human Resources Systems and Support	218	227	372
TOTAL	\$8,966	\$9,474	\$10,725

Note: IT investments in FTA's various financial management systems and Prism acquisition system are captured under the PMA goal of Improved Financial Performance.

In FY 2006, FTA introduced a new performance metric to measure the average number of days to complete grant processing after submission of a completed grant application. FTA has taken a number of steps to improve grant processing time, including: implementing an electronic Grants Notification System for grants over \$1 million and that are processed for release to Congress by the Office of the Secretary; opening TEAM for grant obligation earlier in the fiscal year; working with the Department of Labor (DOL) to develop a streamlined procedure for certifying grants in each grant amendment adding incremental funding; and expediting notification of certification by DOL.

Performance Measure: Average number of days to award a FTA grant after submission of a completed application

	2003	2004	2005	2006	2007	2008	2009
Target	60	36	36	36	36	36	36
Actual	39	30	28	28	29		

5. Budget and Performance Integration

PERFORMANCE ISSUE

This initiative follows through on the President's commitment to build a results-oriented government that funds effective programs and reforms or terminates ineffective programs. Improvements in the management of human capital, competitive sourcing, improved financial performance, and E-gov will matter little if they are not linked to better results.

Everyone agrees that scarce Federal resources should be allocated to programs and managers that deliver results. To this end, Congress enacted GPRA in 1993 to ensure that the Federal government focuses Federal programs on performance.

FTA has established an Annual Performance Plan to improve transportation for America's communities. The business plan goals include: 1) to attract and retain the best people in the Federal Transit Administration; 2) to deliver products and services that are valued by FTA's customer; 3) to establish effective business processes and leverage technology; and 4) to position public transportation as the mode of choice in America.

ANTICIPATED FY 2008 ACCOMPLISHMENTS

- To conduct a review of current FTA performance measures and to recommend updates or deletion.
- To demonstrate performance based on an assessment of the expected outcomes relative to what is actually being achieved.
- To hold all SES executives accountable for joint core accountabilities related to the Department's GPRA goals, the PMA, and FTA's Annual Performance Plan.
- To develop an integrated budgeting, performance, and accounting information system at the program level that will provide timely feedback for management and can be uploaded and consolidated at the agency and government level.
- To continue to schedule periodic Executive Management Team meetings to focus on progress in accessing program effectiveness and performance.
- To maintain FTA's "green" rating on the OMB scorecard for Budget and Performance Integration.

FY 2009 PERFORMANCE REQUEST

Administrative Expenses – \$1.6 million

The requested amount will support 11 FTEs and a proportionate share of infrastructure and supply costs to sustain them.

6. Research and Development Investment Criteria

PERFORMANCE ISSUE

FTA has incorporated the Administration's research and development (R&D) investment criteria into the budget process. The criteria provide broad guidelines for planning and managing all levels of Federal R&D. Each of the criteria has both prospective and retrospective elements.

- *Relevance:* Programs must have complete plans, with clear goals and priorities, must articulate their potential public benefits, and must be relevant to national and customer needs. Agencies must assess relevance periodically through both prospective and retrospective independent review.
- *Quality:* Programs must use clearly stated, defensible methods for awarding funding. Those allocating funds through means other than a competitive, merit-based process must justify funding methods and document how quality is maintained. Agencies must assess the quality of research using retrospective reviews by technical experts.
- *Performance:* Programs must maintain long-term objectives, with annual measures and targets, and define appropriate outputs, outcomes, schedules, and decision points. Agencies should express program results in terms of public benefits. Performance must be retrospectively documented annually.

The R&D investment criteria have three aims: (1) to improve program management; (2) to inform funding decisions; and (3) to increase public understanding of the benefits of Federal research. As stated by OMB, application of the criteria helps to improve public understanding of the benefits and effectiveness of Federal R&D.

ANTICIPATED FY 2008 ACCOMPLISHMENTS

- To make program decisions based on information beyond anecdotes and prior-year funding levels.
- To improve the budget process and to manage R&D programs to increase the overall productivity of the Federal research portfolio.
- To communicate the expectations of proper program management and to set standards for information provided in program plans and budget justifications.

7. Eliminating Improper Payments

PERFORMANCE ISSUE

Improper payments are a long-standing, widespread, and significant problem in the Federal government. GAO reported that improper payments cost the Federal government approximately \$35 billion annually and that Federal expenditures are likely to increase due to the projected, increased costs of programs such as Medicare, Medicaid, and Social Security. The joint Chief Financial Officers' Council and the President's Council on Integrity and Efficiency identified a number of problems that increase the risk of improper payments, including a weak or incomplete program control environment and a lack of attention toward government-wide coordination and information sharing.

The Improper Payment Information Act (IPIA) of 2002 contains requirements in the areas of improper payment identification and reporting. It requires agency heads to annually review

all programs and activities, to identify those that may be susceptible to significant improper payments, to estimate annual improper payments in the susceptible programs and activities, and to report the results of their improper payment activities. An improper payment occurs when Federal funds are disbursed to the incorrect recipient, an incorrect payment amount is disbursed, or the recipient uses funds in an improper manner.

Upon implementation of the IPIA, the Department developed an improper payment risk assessment methodology and process. A review of the majority of its programs and activities was conducted to identify those that may be susceptible to significant improper payments. OMB has defined significant as 2.5 percent of total payments or \$10 million. The Department conducts the IPIA assessment annually.

To date, there have been no significant improper payments identified that are necessary to reduce and recover. If improper payments are found, the Office of the Secretary will work with the agency to ensure that reduction targets and recovery rates are established.

ANTICIPATED FY 2008 ACCOMPLISHMENTS

- To carefully monitor and control payments being processed through TEAM, ECHO, and Delphi.
- To put into place processes and systems that ensure the accuracy of FTA's grant payments.

8. Real Property Management

FTA does not manage any real property, so this goal does not apply.

Section 5. Research, Development and Technology Exhibits

EXHIBIT V-1

RESEARCH, DEVELOPMENT, & TECHNOLOGY
DEPARTMENT OF TRANSPORTATION
BUDGET AUTHORITY
(\$ in thousands)

FEDERAL TRANSIT ADMINISTRATION	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request
A. National Program	40,500	44,863	39,100
1. Increase Transit Ridership	<u>12,210</u>	<u>12,181</u>	<u>8,340</u>
a. Increase Transit Ridership	800	1,600	1,000
b. Increase Transit Ridership (T)	11,410	10,581	7,340
2. Improve Capital and Emergency Operating Efficiency	<u>15,295</u>	<u>17,530</u>	<u>14,085</u>
a. Improve Capital and Emergency Operating Efficiency	4,333	5,290	9,183
b. Improve Capital and Emergency Operating Efficiency (T)	10,962	12,240	4,902
3. Improve Safety and Emergency Preparedness	<u>7,175</u>	<u>7,250</u>	<u>8,385</u>
a. Improve Safety and Emergency Preparedness	1,050	915	2,075
b. Improve Safety and Emergency Preparedness (T)	6,125	6,335	6,310
4. Protect Environment and Promote Energy Independence	<u>2,912</u>	<u>5,132</u>	<u>5,250</u>
a. Protect Environment and Promote Energy Independence	1,412	4,096	4,550
b. Protect Environment and Promote Energy Independence (T)	1,500	1,036	700
5. Provide Transit Research Leadership	<u>2,908</u>	<u>2,770</u>	<u>3,040</u>
a. Provide Transit Research Leadership	0	0	0
b. Provide Transit Research Leadership (T)	2,908 ^{1/}	2,770 ^{1/}	3,040 ^{1/}
B. Transit Cooperative Research Program (T)	9,300	9,300	9,300
C. National Transit Institute (T)	4,300	4,300	4,300
D. Rural Transit Assistance Program (T)	0	0	0
E. University Transportation Centers (T)	7,000	7,000	7,000
Subtotal, Research and University Programs	<u>61,100</u>	<u>65,463</u>	<u>59,700</u>
F. Administrative Expenses	<u>600</u>	<u>909</u>	<u>1,397</u>
Subtotal, Research & Development	8,195	12,811	18,205
Subtotal, Technology Investment (T)	53,505	53,562	42,892
Subtotal, Facilities (F)	0	0	0
Total FTA	<u>61,700</u>	<u>66,372</u>	<u>61,097</u>

^{1/} Research and University Research Centers includes the \$100,000 in Indefinite Appropriation Authority.

EXHIBIT V-2
FEDERAL TRANSIT ADMINISTRATION
FY 2009 RD&T BUDGET
(\$000)

RD&T Program	FY 2009	<i>Safety</i>	<i>Reduced Congestion</i>	<i>Global Connectivity</i>	<i>Environ.</i>	<i>Security</i>	<i>Org. Excell.</i>
National Research Program	39,000	7,585	24,074	700	5,250	800	591
<i>Increase Transit Ridership</i>	8,340	0	8,340	0	0	0	0
Increase Transit Ridership	1,000	0	1,000	0	0	0	0
Increase Transit Ridership (T)	7,340	0	7,340	0	0	0	0
<i>Improve Capital and Emergency Operating Efficiency</i>	14,085	0	13,001	700	0	0	384
Improve Capital and Emergency Operating Efficiency	9,183	0	9,183	0	0	0	0
Improve Capital and Emergency Operating Efficiency (T)	4,902	0	3,818	700	0	0	384
<i>Improve Safety and Emergency Preparedness</i>	8,385	7,585	0	0	0	800	0
Improve Safety and Emergency Preparedness	2,075	2,075	0	0	0	0	0
Improve Safety and Emergency Preparedness (T)	6,310	5,510	0	0	0	800	0
<i>Protect Environment and Promote Energy Independence</i>	5,250	0	0	0	5,250	0	0
Protect Environment and Promote Energy Independence	4,550	0	0	0	4,550	0	0
Protect Environment and Promote Energy Independence (T)	700	0	0	0	700	0	0
<i>Provide Transit Research Leadership</i>	2,940	0	2,733	0	0	0	207
Provide Transit Research Leadership	0	0	0	0	0	0	0
Provide Transit Research Leadership (T)	2,940	0	2,733	0	0	0	207
Transit Cooperative Research Program (T)	9,300	0	9,300	0	0	0	0
National Transit Institute (T)	4,300	0	4,300	0	0	0	0
Rural Transit Assistance Program (T)	0	0	0	0	0	0	0
University Transportation Centers (T)	7,000	0	7,000	0	0	0	0
Administrative Expenses	1,397	173	846	0	378	0	0
Subtotal, Research & Development 1/	16,808	2,075	10,183	0	4,550	0	0
Subtotal, Technology Investment (T)	42,792	5,510	34,491	700	700	800	591
Subtotal, Facilities (F)	0	0	0	0	0	0	0
Total FTA	60,997	7,758	45,520	700	5,628	800	591

1/ Research and University Research Centers does not include the \$100,000 in Indefinite Appropriation Authority.

EXHIBIT V-2A
FEDERAL TRANSIT ADMINISTRATION
Research and University Research Centers Program Summary

RD&T PROGRAM: INCREASE TRANSIT RIDERSHIP
AMOUNT REQUESTED FOR FY 2009: \$8,340,000

Projects

Accessibility for Persons with Disabilities – Project Action

Objective: Improve transportation solutions for specialized populations.

Description: This program provides technical assistance to the disabled community, the transportation industry, human service agencies, advocacy and professional organizations, and Federal, state, and local governments on a range of issues associated with the provision of accessible transportation for people with disabilities of any age.

Outputs: Emphasis will continue to be placed on improving the accessibility of the pedestrian environment. The disability community will be alerted to the availability of accessible transportation and advancements in coordinated human service transportation.

Specific outputs will include:

- Delivery of five “people on the move” training events.
- Development of material on the implementation of the ADA.
- Research on two pertinent areas of accessible transportation.
- Technical assistance to local communities on accessible transportation.
- Management of a comprehensive clearinghouse and website on accessible transportation.

FY 2009 Funding: \$3,000,000

RD&T Strategies: Reduced Congestion 5

Analysis of Data from the National Transit Database

Objective: Analyze transit data at the national level.

Description: This project funds analysis of data collected by the National Transit Database (NTD). The National Transit Database is FTA’s primary source of information on the transit industry. Through the NTD, FTA collects data on sources of transit revenue, transit fuel consumption, the amount of transit service supplied, transit related accidents, and information on rural transit.

Outputs:

- Development of historical data tables.

- Development of a public access data query tool.
- Ridership and causal factors of ridership analysis.
- Analysis of transit fuel consumption.

FY 2009 Funding: \$900,000

RD&T Strategies: Reduced Congestion 1, Reduced Congestion 4

Community Transportation Association of America – Nationwide Joblinks

Objective: Improve transportation solutions for specialized populations.

Description: The Joblinks program provides information and technical assistance to recipients of Job Access and Reverse Commute funds and others regarding employment transportation issues. Useful practices are catalogued, successful projects are documented, and informational briefs are developed on issues associated with employment transportation.

Outputs:

- Peer-to-peer assistance including maintenance of an employment transportation website and an informational 1-800 number.
- Grantee working groups on coordinated federal funding and program evaluation procedures.
- Promotion of an employer benefits outreach program for low-income individuals.

FY 2009 Funding: \$750,000

RD&T Strategies: Reduced Congestion 1, Reduced Congestion 5

Demonstration of Methods, Techniques, and Technologies to Increase Transit Ridership

Objective: Increase transit ridership and reduce congestion through competitively selected research projects.

Description: This project will fund a competition seeking research or demonstration proposals on technologies and practices that are most likely to increase ridership and reduce congestion through public transportation. Several projects will be selected and funded based on OMB's Research & Development Investment Criteria to ensure that research does not duplicate other efforts.

Outputs: Outputs and timing will be defined based upon the proposed research and demonstration projects.

RD&T Partners: Partners would vary based on specific projects selected.

FY 2009 Funding: \$1,000,000

RD&T Strategies: Reduced Congestion 1, Reduced Congestion 2, and other Reduced Congestion RD&T strategies depending on specific projects selected.

National Center for Senior Transportation

Objective: Address the need for dignified, consumer-oriented transportation for the aging population in the U.S.

Description: This program has developed a detailed needs assessment for older adult transportation technical assistance. The National Technical Assistance Center for Senior Transportation will assist local communities and States in the provision and expansion of transportation services for older adults

Outputs:

- National Grant Demonstration Project on Senior Mobility.
- Technical assistance to states and local communities on senior transportation.
- National clearinghouse and database of products relevant to senior mobility.

RD&T Partners: Administration on Aging

FY 2009 Funding: \$1,000,000

RD&T Strategies: Reduced Congestion 5

United We Ride Coordinating Council and Mobility Management Implementation Strategies

Objective: Increase access for all Americans by providing strategic external support for priority research projects and implementing mobility management strategies.

Description: Mobility management activities are short-term planning and management activities designed to coordinate public transit and other transportation services. This project will provide resources to implement the mobility management strategic plan across the country.

Outputs:

- Data collection, data analysis, and reports to improve transportation for disabled, elderly, and low-income populations.
- Implementation of Mobility Management Strategies in all 50 states and 50 percent of urbanized areas by 2011.

RD&T Partners: American Public Transportation Association, other Federal agencies that provide funding for transportation services, such as HHS and DOL.

FY 2009 Funding: \$300,000

RD&T Strategies: Reduced Congestion 1, Reduced Congestion 5

United We Ride State Coordinated Grants

Objective: Improve transportation services for people with disabilities, people with low incomes, and older adults through coordinated transportation services.

Description: State Coordinated Grants provide funding for states to address critical gaps in human service transportation, while retaining discretion to target those projects that will best meet local needs.

Outputs:

- State leadership in helping local communities develop coordinated plans.
- Pilot programs to build partnerships and develop policy agreements to coordinate transportation services.

RD&T Partners: States

FY 2009 Funding: \$1,000,000

RD&T Strategies: Reduced Congestion 5

RD&T PROGRAM: IMPROVE CAPITAL AND EMERGENCY OPERATING EFFICIENCY

AMOUNT REQUESTED FOR FY 2009: \$14,085,000

ADA Regional Dialogues and Support

Objective: Improve transportation accessibility for all Americans by advising and assisting transit agencies in meeting the Americans with Disabilities Act requirements.

Description: FTA will hold regional dialogues and provide technical and legal expertise, answering inquiries from local and regional transportation service providers about the Americans with Disabilities Act requirements.

Outputs:

- A decreased number of formal ADA complaints.
- Guidance and a formal report issued after each regional dialogue.

FY 2009 Funding: \$500,000

RD&T Strategies: Reduced Congestion 5

Benchmarking

Objective: Improve nationwide transit system performance through benchmarking.

Description: FTA will identify critical areas of success for public transportation systems and collect uniform data on transit industry performance in order to define key, objective measures of success.

Outputs:

- Benchmarking results consolidated at the national level.
- Assessment of public transit operators against high-priority improvement areas.

FY 2009 Funding: \$100,000

RD&T Strategies: Reduced Congestion 4

Bus and Bus Rapid Transit Programs

Objective: Improve bus and bus rapid transit operations.

Description: FTA will investigate methods and technologies to improve bus and bus rapid transit operations.

Examples of projects include:

- Advanced Small Transit Vehicle Development. This project will continue work begun based on a recommendation from the Transit Research Analysis Committee (TRAC) with the goal of improving small transit vehicles to meet the needs of small urban and rural transit providers better.
- Development of Cost Benefit Analysis Method. This project will develop a consistent method to aid transit agencies in making cost effective decisions when implementing new technologies. The method will determine procedures to quantify benefits derived from ITS technologies, clean fuels, and BRT service.
- Demonstration of intermittent bus lanes for BRT right-of-way. This concept allows a bus to operate in an exclusive right-of-way when needed, while still allowing normal traffic to use the lanes when no buses are in the area.

Outputs:

- Demonstration of advanced small transit vehicles based on vehicle specifications developed with industry support.
- Methods for analyzing the costs and benefits of deploying new technologies to bus systems.
- More efficient BRT right-of-way.

FY 2009 Funding: \$2,000,000

RD&T Strategies: Reduced Congestion 1, Reduced Congestion 3

Development of Transit Standards

Objective: Improve the design, performance, safety, and reliability of transit systems.

Description: This project 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 design, performance, safety, and reliability of transit systems and reduce the risk for the supply industry. The standards to be developed will be based upon a business case analysis.

Outputs: Stage gates will be established to provide decision points for a 'go' or 'no-go' decision on the development of each standard under consideration. Potential standards include:

- communications based train control,
- automatic vehicle location,
- vehicle monitoring and diagnostics,
- passenger information systems,
- event recorders.

RD&T Partners: American Public Transportation Association.

FY 2009 Funding: \$1,000,000

RD&T Strategies: Reduced Congestion 2, Reduced Congestion 3

Improve New Starts Travel Forecasts

Objective: Ensure that Federal investment is in those projects that will yield the greatest benefit.

Description: This project will enhance the alternatives analysis process by focusing research on mode specific constants, transit path building methods, trip distribution steps, and travel demand forecasting.

Outputs: Improved New Starts and Small Starts project travel demand forecasting practices.

FY 2009 Funding: \$200,000

RD&T Strategies: Reduced Congestion 4

Managerial Cost Accounting Enhancements

Objective: Enhance FTA's Managerial Cost Accounting system to provide more comprehensive, timelier data analysis.

Description: FTA will transition the managerial cost accounting system developed originally as a stand-alone desktop system to a server-based, multi-user system.

Outputs: Automation of reporting, faster run times of data for accounting, the addition of more complex performance metrics, and the ability for multiple users to customize their own reports rather than relying on a single point of contact for MCA analysis.

FY 2009 Funding: \$384,129

RD&T Strategies: Reduced Congestion 3, Reduced Congestion 4

Major Capital Projects Roundtables

Objective: Facilitate communication between FTA and transit agencies with major ongoing capital projects to improve operating efficiency.

Description: The Major Capital Projects Roundtables are three-day, semi-annual meetings held in cities with on-going major capital projects in significant stages of construction. Roundtables provide immediate communication on the latest transit engineering, contracting, and construction techniques to implement major capital projects efficiently and effectively.

Outputs: Development of peer-to-peer contact, focus groups, lessons learned, best practices, and white papers.

FY 2009 Funding: \$70,000

RD&T Strategies: Reduced Congestion 4

New and Small Starts Outreach and Roundtables

Objective: Facilitate communication and information exchange between project sponsors and FTA.

Description: Roundtables provide sessions related to planning and project development, procedural and technical issues, as well as information about FTA's management of the New Starts program. Because of the complexity of issues involved in planning major transit investments, communication is best facilitated with workshops and regional meetings.

Outputs: Resource materials on improved and innovative planning techniques for New Starts projects generated at each Roundtable (2-3 per year) and outreach workshop (4-6 per year).

FY 2009 Funding: \$182,000

RD&T Strategies: Reduced Congestion 4

Rail Programs

Objective: Improve rail operations through exploration of innovative concepts, new technologies, and practices to increase efficiency.

Description: This is a compilation of subprojects. The program encourages innovative approaches to rail problems, emphasizing unconventional approaches that have the potential to produce leapfrog technologies and lead to significant advancements. The program will conduct research on new technologies that will improve operations. In partnership with the FRA, the program will conduct a feasibility study on shared freight and transit tracks.

Outputs:

- Improved rail operations.
- More efficient use of infrastructure through track sharing.
- Improved train control.
- Reduced maintenance costs.
- Better track inspection technologies.

RD&T Partners: Federal Railroad Administration.

FY 2009 Funding: \$5,183,000

RD&T Strategies: Reduced Congestion 2, Reduced Congestion 4

Sponsorship and Participation in Transit Industry Forums

Objective: Improve the capacity of the transit industry workforce.

Description: FTA will participate in and support critical meetings that serve as a forum for transit community partners and FTA to communicate advances and developments in planning policies and methodologies, as well as proposed changes in planning requirements that lead to improved project level analysis, more efficient environmental reviews of projects, and comprehensive regional planning.

Outputs:

- Sponsorship of at least 10 transportation-related conferences with stakeholder groups, including the Transportation Research Board, the American Public

Transportation Association, and the American Planning Association.

- Conference, workshop, and Peer Roundtable proceedings highlighting the benefits of transit and promoting the connection between effective transit projects and preparatory systems planning, supportive land use planning, improved financial analysis, etc.
- Training webinars with stakeholders and grantees focused on planning issues related to new programs and requirements, with exhibits featuring transit-related documents, CDs, and brochures.

RD&T Partners: The Transportation Research Board, the American Public Transportation Association, and the American Planning Association.

FY 2009 Funding: \$150,000

RD&T Strategies: Reduced Congestion 4

Support for Title VI, Disadvantaged Business Enterprises, and Equal Employment Opportunity

Objective: Ensure the non-discriminatory use of federal funds by FTA funding recipients.

Description: This project provides technical assistance to grantees, their contractors, transit industry stakeholders, and the public about mandated compliance with Title VI, DBE, and EEO requirements. FTA will also ensure, through this project, that the goals of the DBE program are achieved, including the creation of a level playing field on which DBEs can compete fairly, and making the DBE program more effective for all participants.

Outputs:

- A three-day workshop in each of FTA's 10 regions in order to educate recipients on the requirements of the revised Title VI and EEO circulars and the Department's DBE Program requirements.
- An Interactive Guide and Best Practices Manual on Title VI.
- An Interactive Guide and Best Practices Manual on Equal Employment Opportunity.

FY 2009 Funding: \$300,000

RD&T Strategies: Reduced Congestion 4

Transit Oriented Development, Mixed-Use Housing, and Joint Development

Objective: Identify practices and technologies to maximize both public and private sector investment in transit projects while controlling capital costs.

Description: This project supports dissemination of research and best practices related to transit oriented development, mixed-use housing, and joint development. Funding supports a database that includes performance criteria, impact on ridership, the nature of the development agreement, and the amount of return to transit.

Outputs: Reports issued by FTA and other Federal agencies on transit oriented development, mixed-use housing, and joint development.

RD&T Partners: The Department of Housing and Urban Development

FY 2009 Funding: \$515,871

Trade Promotion, Technical Assistance, and Training

Objective: Expose domestic businesses to international technological innovations, enhancing their global competitiveness.

Description: FTA will pursue technology transfer activities with those developed countries with which it has Memorandums of Understanding and with developing countries where trade opportunities may exist. This project will also provide increased trade support to the domestic transit industry through trade missions, reverse trade missions, market research, and other trade related activities.

Outputs:

- Trade missions, trade shows, and reverse trade missions and meetings with foreign decision makers and foreign companies that are interested in purchasing U.S. transit goods and services.
- Market research and reports about foreign markets available to the U.S. domestic community.
- Technical cooperation, bilateral meetings, and fact-finding missions to foreign operations.

FY 2009 Funding: \$700,000

RD&T Strategies: Global Connectivity 1

Transit Operation Improvements

Objective: Improve transit system operations.

Description: FTA will investigate methods and technologies to improve transit system operations. Vehicle Assist and Automation is a potential project. Vehicle assist and automation systems (VAA) allow precise operations of transit buses in narrow lanes. VAA supports precision docking, vehicle guidance, vehicle platooning, and automated operations.

Outputs: Outputs will depend on projects selected. One potential output would be a comparative data analysis of VAA technology.

FY 2009 Funding: \$2,000,000

RD&T Strategies: Reduced Congestion 1, Reduced Congestion 2, Reduced Congestion 3

Transportation Planning: Partnerships and Capacity Building

Objective: Promote innovative practice and continued compliance with the planning provisions of SAFETEA-LU.

Description: This project will provide seed funding for selected stakeholder groups to work on priority program initiatives, and support the development and delivery of technical assistance and guidance to State and local agencies and transit operators.

Outputs:

- Web and print-based technical assistance materials.
- Pre-New Starts peer workshops.
- Peer exchange sessions.
- Program performance assessments.

RD&T Partners: American Public Transportation Association (APTA), Association of Metropolitan Planning Organizations (AMPO), and National Association of Regional Councils (NARC)

FY 2009 Funding: \$400,000

RD&T Strategies: Reduced Congestion 4

**RD&T PROGRAM: IMPROVE SAFETY AND EMERGENCY PREPAREDNESS
AMOUNT REQUESTED FOR FY 2009: \$8,385,000**

Bus Rapid Transit Safety Issues

Objective: Improve bus rapid transit safety.

Description: FTA will identify and implement strategies to improve safety for passengers, employees, and others who interact with bus rapid transit (BRT). Research will be conducted on issues such as the design of traffic signal preemption systems for prioritizing bus movements, application of ITS technologies, running way guidance, vehicle configuration, and passenger safety at BRT stops.

Outputs:

- Analysis of the state-of-the-practice for safety in BRT.
- Trend analysis in the causes of accidents and their impact on the BRT industry.

- Evaluation of BRT technologies purported to improve safety, including currently deployed technologies and those in developmental stages.
- Development of guidance and technical assistance materials to support the implementation of safety strategies in all phases of BRT development and operations.
- Development of evaluation criteria for FTA's assessment of the safety of proposed BRT projects.

RD&T Partners: National BRT Institute

FY 2009 Funding: \$700,000

RD&T Strategies: Safety 1, Safety 2

Connecting Communities

Objective: Prepare transit and transportation systems, emergency service agencies, and local, regional, and tribal governments for emergency situations.

Description: Connecting Communities are two-day forums that combine instructor-led presentations with interactive exercises and small-group activities to help participants assess the strengths and weaknesses in their existing plans and identify steps to improve the local region's preparedness.

Outputs: The Connecting Communities forums prepare participants to:

- List potential incidents within their respective jurisdictions that would require multi-agency and multi-discipline responses.
- Describe resources that might be needed in the previously identified responses.
- Identify avenues for obtaining needed resources.
- Demonstrate the planning process for establishing pre-incident relationships.
- Apply techniques for managing an incident that is reliant on multi-agency coordination.

RD&T Partners: Department of Homeland Security

FY 2009 Funding: \$300,000

RD&T Strategies: Security, Preparedness and Response 1

Continuity of Operations Planning (COOP)

Objective: Protect public safety by ensuring that in the event of a major incident or an emergency, critical functions continue to operate.

Description: The funds provided for this program will be used to ensure that the FTA COOP is adequately maintained. This includes on-going updates and testing of the FTA

emergency communications databases and communications devices, and training of personnel at FTA Headquarters and Regional offices throughout the country.

Outputs:

- Quarterly COOP communication test of FTA's emergency communication systems and devices.
- On site visits to FTA Regional offices to provide training and COOP reviews throughout the year.

FY 2009 Funding: \$200,000

RD&T Strategies: Safety 2

Drugs and Alcohol Testing (DAMIS/Guidance)

Objective: Eliminate the incidence of substance use by transit employees.

Description: FTA requires grantees to submit annual reports on their drug and alcohol testing programs. The central focus of DAMIS is the annual data collection and reporting processes collected from all FTA grantees and their contractors nationally. DAMIS data is used in the determination of the national random testing rate and in determining candidates for compliance audits. DAMIS also supports ad hoc inquiries, provides information for the strategic planning processes, supports Drug and Alcohol compliance software enhancements, supports the creation, printing, and distribution of Drug and Alcohol documents, and supports administrative functions related to the Substance Abuse Seminars.

Outputs:

- Annual DAMIS Reports.
- Web-based historical master database of all grantee and contractor testing results.
- Information (random testing positive rate trend) required by the FTA Administrator in setting annual random testing levels.
- Seminar and National Conference coordination (attended by over 400 transit and drug testing professionals).
- SAMO Audit software package development and updates including resident master database of all audits.
- Archiving of all electronic and hardcopy audit materials.

FY 2009 Funding: \$1,350,000

RD&T Strategies: Safety 1

FTA Emergency Contact Database

Objective: Communicate in real-time with transit agencies; keep stakeholders abreast 24 hours a day of any significant national safety and security matter.

Description: FTA maintains a database in order to communicate with key transit agency contacts during a safety or security incident. FTA will continue to expand and enhance the database to include all transit agencies, and convert the database to a web-based design that will offer greater accessibility to communication, information, and events for transit safety and security directors.

Outputs: Transit agencies will have current information and will be able to update their systems data in real-time.

FY 2009 Funding: \$430,000

RD&T Strategies: Safety 2

Immediate Response to Transit Emergencies

Objective: Enhance FTA's response to emergency requests on safety and security issues.

Description: In emergency situations, FTA will provide on-site effective and efficient technical assistance and dispatch appropriate experts to evaluate and investigate emergencies involving transit systems.

Outputs: A more coordinated and effective response at the Federal, State, and local level in the case of an emergency.

FY 2009 Funding: \$250,000

RD&T Strategies: Security, Preparedness, and Response 1

Safety and Emergency Preparedness Technology

Objective: Utilize technology to improve safety and emergency preparedness.

Description: Research and demonstration of technologies and practices that promise substantial improvement in transit safety and emergency preparedness will be conducted. Potential projects could include:

- Application of geographic information systems (GIS) to transit infrastructure assets as an emergency management tool.
- Developing guidance documents and standards for fire analysis of rail transit vehicles and modeling railcars and their operating environment.
- Strategies for hardening communications and control systems to make them less vulnerable to malicious or accidental disruption.
- Standardized, efficient, on-scene accident data collection to improve causal analysis, accident prevention, and mitigation of injuries and damage.

Outputs: Outputs will depend on the projects selected through competitions. A potential output is a hand-held unit for first responders that will provide a three-dimensional view of all aspects of a facility to be evacuated and escape routes for various locations.

FY 2009 Funding: \$2,000,000

RD&T Strategies: Safety 2

Safety Training

Objective: Provide transit personnel with effective safety and security training.

Description: Under this interagency agreement, the Transportation Safety Institute (TSI) will conduct safety and security courses and seminars. TSI will also convene meetings of the Associate Staff 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.

Outputs: Delivery of over 35 Safety and Security courses to the transit industry.

RD&T Partners: TSI

FY 2009 Funding: \$1,650,000

RD&T Strategies: Safety 2

Transit Fire Safety Materials Analysis and Testing Program

Objective: Improve fire safety on transit vehicles.

Description: Research will assess the adequacy of existing bus and railcar fire safety standards and investigate potential improvements in testing methods. Fire testing and fire hazard analysis of bus and rail transit vehicles will be conducted.

Outputs:

- Development of fire performance data for products currently allowed in US railcars and buses.
- A situational and data analysis report.
- Recommended best practices report and final research report.

RD&T Partners: FRA and the National Association of State Fire Marshals (NASFM)

FY 2009 Funding: \$75,000

RD&T Strategies: Safety 2

Transit Safety & Security Statistics Report and Analysis

Objective: Provide FTA and industry stakeholders with the basis for identifying key safety and security problems and effective countermeasures.

Description: This Project is comprised of the analysis and dissemination of the transit safety and security data that is collected through the Federal Transit Administration's National Transit Database (NTD) Safety and Security Module. This project funds a separate and enhanced safety and security data analysis process that produces an annual report containing normalized and trend data along with basic statistical information.

Outputs:

- Analysis of data and development of safety and security industry trends.
- Real time assistance provided on data inquiries.
- Transit Safety & Security Statistics & Analysis Annual Reports.
- Biennial newsletters and web products.

FY 2009 Funding: \$480,000

RD&T Strategies: Safety 1, Safety 2

Transit Security Roundtable

Objective: Encourage the dissemination and sharing of information vital to a safe and secure transit environment.

Description: Hosted by the FTA in partnership with the Department of Homeland Security, this ongoing initiative provides an opportunity for safety and security officials from the nation's largest transit agencies to meet and exchange information relative to transit security issues, particularly technology and best practices.

Outputs: One to two Transit Security Roundtables per fiscal year, attended by an average of 150 professionals.

RD&T Partners: Department of Homeland Security

FY 2009 Funding: \$250,000

RD&T Strategies: Emergency, Preparedness and response 1

Transit System Safety Program Guidance, Information Sharing, and Awareness Outreach

Objective: Conduct research and develop materials to enhance system safety, and disseminate this information to industry stakeholders and the public at large.

Description: System safety program guidance will be produced to support a structured system for managing safety analysis and addressing safety impacts. Light rail safety material will be developed. 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 have access to reference documents, recommended safety and security procedures, handbooks, and planning guidance.

Outputs:

- State-of-the-practice assessment on system safety.
- Light rail safety material.
- Safety and security technical assistance, reference documents, logistics, and real time information.

RD&T Partners: Operation Lifesaver

FY 2009 Funding: \$700,000

RD&T PROGRAM: PROTECT THE ENVIRONMENT AND PROMOTE ENERGY INDEPENDENCE

AMOUNT REQUESTED FOR FY 2009: \$5,250,000

Clean Fuels and Electric Drive Bus Deployment

Objective: Guide research efforts to commercialize clean propulsion – electric, hybrid-electric, and fuel cells – for transit buses.

Description: This project will include a range of sub-projects to facilitate the deployment of clean fuels. Examples of projects include:

- Plug-in hybrid transit vehicle development and demonstration.
- Energy management for electric drive vehicles.
- Transit vehicle accessory energy study.
- Electric drive bus program coordination and outreach.
- Clean fuel vehicle emissions analysis.
- Transit carbon-trading analysis.
- Hydraulic hybrid transit bus development.
- Transit vehicle emissions and performance analysis.

Outputs:

- Commercialization of plug-in hybrid transit vehicles.
- Advanced energy storage research and development.
- Development and demonstration of effective power management for vehicle accessories.
- An analysis and comparison of diesel vs. hybrid-electric bus rapid transit vehicles.
- An analysis of the transit industry's role in carbon trading.

- Development of a hydraulic transit bus.

FY 2009 Funding: \$3,300,000

RD&T Strategies: Environmental Stewardship 1

Environmental Support for Transit Activities

Objective: Improve environmental planning during the transit planning process.

Description: This project promotes the use of Environmental Management Systems and expands the scope of transportation planning to fully integrating land use, economic development, and environmental quality considerations into the planning process.

Outputs:

- Startup of 4-5 “working laboratory” case studies of expedited comprehensive metropolitan transportation planning practice for monitoring and reference by Federal, State, and local agencies.
- Compilation and publication of a report on the results of the Environmental Management Systems program.

FY 2009 Funding: \$550,000

RD&T Strategies: Environmental Stewardship 1, Environmental Stewardship 2

Rail Energy Conservation Improvements

Objective: Reduce the energy consumption of public transportation rail systems.

Description: Rail systems consume considerable energy resources (either through the electric grid or through fuels) that are a substantial proportion of operating costs. This project will evaluate the most promising and cost effective methods and technologies, identified during Phase I of the program, to reduce electric and fuel energy consumption. Research will examine wayside energy storage substations, regulation, and reduction of peak power demand, use of regenerated energy, and reducing voltage.

Outputs: Reduced energy consumption of rail systems including advancements in wayside energy storage substations, methods to reduce peak power demand, and regenerated energy technology.

RD&T Partners: FRA, Department of Energy

FY 2009 Funding: \$1,250,000

RD&T Strategies: Environmental Stewardship 1

Support for the DOT Center for Climate Change

Objective: Protect the natural and built environment by supporting the DOT Center for Climate Change.

Description: The DOT Center for Climate Change and Environmental Modeling creates comprehensive and multi-modal approaches to reduce transportation-related greenhouse gases and to mitigate the effects of global climate change on the transportation network.

Outputs: Research reports on multi-modal issues.

RD&T Partners: The Department of Transportation as a whole.

FY 2009 Funding: \$150,000

RD&T Strategies: Environmental Stewardship 1

**RD&T PROGRAM: PROVIDE TRANSIT RESEARCH LEADERSHIP
AMOUNT REQUESTED FOR FY 2009: \$2,940,000**

Expanded E-Government – “All” E-Gov Initiatives

Objective: Consolidate IT initiatives at the highest level possible in accordance with the President’s Management Agenda.

Description: FTA supports E-Gov initiatives including:

- GovBenefits.gov – provides a single point of access for citizens to locate and determine potential eligibility for government benefits and services.
- E-rulemaking – allows citizens to easily access and participate in the rulemaking process.
- Geospatial One-Stop – provides Federal and state agencies with a single point of access to map-related data.
- Grants.gov – creates a single portal for all Federal grant customers to find and apply for grants online.
- Integrated Acquisition Environment – consists of nine government-wide integrated systems facilitating, unifying, and streamlining each phase of the federal acquisition process.
- E-Authentication – provides a secure infrastructure for online transactions, eliminating the need for separate processes for the verification of identity and electronic signatures.
- Financial Management (FM) – improves the cost, quality, and performance of financial management, and reduces non-compliant systems by leveraging common standards.
- Grants Management – creates a government-wide solution to support end-to-end grants management activities that promote citizen access, customer service, and

agency financial and technical stewardship.

- Human Resources (HR) Management – implements government-wide, modern, cost effective, standardized, and interoperable HR solutions providing common core functionality to support the strategic management of human capital.
- Budget Formulation and Execution – implements modern, interoperable, cost effective, and optimized solutions supporting all phases of the formulation and execution of the Federal budget and linking budget formulation, execution, planning, performance, and financial information.
- IT Infrastructure – creates an effective and efficient IT infrastructure enabling government-wide, customer-centric services.

Outputs: Single sources (Web-portals) of citizen, business, and government access to information on Federal grants, emergency preparedness, and acquisitions of products and services.

RD&T Partners: This is a government-wide initiative.

FY 2009 Funding: \$206,899

RD&T Strategies: Organizational Excellence 1

Innovative Financing and Public Private Partnerships

Objective: Leverage public sector investment through innovative financing techniques and public private partnerships.

Description: This project will demonstrate innovative finance techniques and public private partnership opportunities for transit specific projects.

Outputs: Information sessions, briefing material, and reports on innovative finance and public private partnerships.

FY 2009 Funding: \$150,000

RD&T Strategies: Reduced Congestion 6

Program Evaluation: Job Access and Reverse Commute, New Freedom, and Elderly Individuals and Individuals with Disabilities

Objective: Ensure that grant programs are meeting their objectives.

Description: This project will support the evaluation of the Job Access and Reverse Commute program, the New Freedom program, and the Elderly Individuals and

Individuals with Disabilities program, analyzing data collected through the Transportation Electronic Award Management (TEAM) reporting system.

Outputs:

- Data collection and analysis using minimum data elements to support reporting needs.
- A report that details FTA's progress toward meeting performance measures established for each program.
- Reports on spot reviews of program implementation.

FY 2009 Funding: \$500,000

RD&T Strategies: Reduced Congestion 5

Reauthorization SAFETEA-LU-2 Outreach

Objective: Ensure that proposed Reauthorization reflects the transit needs of the American public.

Description: FTA will continue outreach and education sessions with transit customers, industry groups, and other stakeholders to both provide information and gather feedback on its proposed Reauthorization Legislation.

Outputs: Industry endorsement of the next Reauthorization.

FY 2009 Funding: \$300,000

RD&T Strategies: Reduced Congestion 4

Technical Support for the Research Program

Objective: Continue to improve research management.

Description: This project will include Research Program tracking comprising evaluation of the overall program, individual project evaluations, external peer reviews, and reporting results. This enhances FTA efforts to ensure research projects meet R&D Investment Criteria.

Outputs: Annual measures, peer reviews, evaluations, and reports.

FY 2009 Funding: \$1,000,000

RD&T Strategies: Reduced Congestion 4

Transit Conditions and Performance Report

Objective: Enhance the accuracy of transit data and funding projections; measure outcome goals more precisely.

Description: This is a comprehensive analysis of the condition, performance, and capital investment requirements of the nation's highways, bridges, and transit systems.

Outputs: A biennial report submitted to Congress.

FY 2009 Funding: \$300,000

RD&T Strategies: Reduced Congestion 4

Transit Research Analysis Committee

Objective: Ensure transit research supports national goals.

Description: The Transit Research Analysis Committee (TRAC) at the National Academy of Sciences assesses the Federal role in transit research relative to the role and activities of others (private sector, universities, states, etc.), identifies high priority opportunities for FTA's research agenda with a focused set of theme areas based on industry challenges and FTA's strategic goals and core accountabilities, and suggests processes to incorporate industry stakeholders' views into FTA research programs.

Outputs: TRAC meetings and Letter Report recommendations to FTA.

RD&T Partners: National Academy of Sciences

FY 2009 Funding: \$250,000

RD&T Strategies: Reduced Congestion 6

Transportation Research Board Support

Objective: Disseminate the results of research and demonstration activities through the sponsorship of transit-related workshops and special sessions.

Description: FTA will support the core transit activities of the Transportation Research Board (TRB). This includes the development of transit panels at the TRB annual meeting, TRB professional committee activities, and ongoing coordination and research dissemination through the Transportation Research Information Service (TRIS).

Outputs: Transit sessions at the TRB annual meeting, support of TRB transit committees, and continued availability of transit information on the Transportation Research Information Service (TRIS).

RD&T Partners: Transportation Research Board

FY 2009 Funding: \$233,101

RD&T Strategies: Reduced Congestion

EXHIBIT V-3

**FEDERAL TRANSIT ADMINISTRATION
Support for Secretarial and Administration RD&T Priorities**

Policy Initiative	Supporting RD&T Program(s)	FY 2009 Request
<i>Secretarial Priorities</i>		
Safety	<p>FTA supports the Secretary’s priority of safety through its research, development, and technology projects that both address the causal factors and risks in transit accidents and determine the most effective ways of mitigating the consequences of those accidents.</p> <p>A brief description of the projects designed to address the Secretary’s safety priority follows.</p> <p><i>Bus Rapid Transit Safety Issues (\$700,000)</i> – FTA will identify and implement strategies to improve safety for passengers, employees, and others who interact with bus rapid transit (BRT). Research will be conducted on issues such as the design of traffic signal preemption systems for prioritizing bus movements, application of ITS technologies, running way guidance, vehicle configuration, and passenger safety at BRT stops.</p> <p><i>Continuity of Operations Planning (COOP) (\$200,000)</i> – The funds provided for this program will be used to ensure that the FTA COOP is adequately maintained.</p> <p><i>Drugs and Alcohol Testing (DAMIS/Guidance) (\$1,350,000)</i> – The central focus of DAMIS is the annual data collection and reporting processes collected from all FTA grantees and their contractors nationally.</p> <p><i>FTA Emergency Contact Database (\$430,000)</i> – FTA maintains a database in order to communicate with key transit agency contacts during a safety or security incident.</p> <p><i>Safety and Emergency Preparedness Technology (\$2,000,000)</i> – This project will support research and demonstration of technologies and practices that promise</p>	\$7,585,000

	<p>substantial improvement in transit safety and emergency preparedness.</p> <p><i>Safety Training (\$1,650,000)</i> – This project supports the Transportation Safety Institute’s delivery of over 35 safety and security courses to transit industry professionals.</p> <p><i>Transit Fire Safety Materials Analysis and Testing Program (\$75,000)</i> – Research will assess the adequacy of existing bus and railcar fire safety standards and investigate potential improvements in testing methods. Fire testing and fire hazard analysis of bus and rail transit vehicles will be conducted.</p> <p><i>Transit Safety & Security Statistics Report and Analysis (\$480,000)</i> – This project funds a separate and enhanced safety and security data analysis process that produces an annual report containing normalized and trend data along with basic statistical information.</p> <p><i>Transit System Safety Program Guidance, Information Sharing, and Awareness Outreach (\$700,000)</i> – This project is comprised of multiple subprojects. System safety program guidance will be produced to support a structured system for managing safety analysis and addressing safety impacts. Light rail safety material will be developed. 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 have access to reference documents, recommended safety and security procedures, handbooks, and planning guidance.</p>	
<p>System Performance and Reliability</p>	<p>FTA supports the Secretary’s priority of System Performance and Reliability by conducting research and demonstration projects and by disseminating best practices to the transit industry. Research to develop new technologies for bus, bus rapid transit, and rail will improve system performance. Research and demonstration projects FTA sponsors into operational improvements will enhance the reliability of the public transportation system.</p>	<p>\$10,683,000</p>

	<p>A brief description of the projects designed to improve operating efficiency and system performance and reliability follows.</p> <p><i>Bus and Bus Rapid Transit Programs (\$2,000,000)</i> – FTA will investigate methods and technologies to improve bus and bus rapid transit operations. Examples of projects include advanced small transit vehicle development, development of a cost benefit analysis method, and demonstration of intermittent bus lanes for BRT right-of-way.</p> <p><i>Development of Transit Standards (\$1,000,000)</i> – This project 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.</p> <p><i>Rail Programs (\$5,183,000)</i> – The program encourages innovative approaches to rail problems, emphasizing unconventional approaches that have the potential to produce leapfrog technologies and lead to significant advancements. The program will conduct research on new technologies that will improve operations. In partnership with the FRA, the program will conduct a feasibility study on shared freight and transit tracks.</p> <p><i>Transit Operation Improvements (\$2,000,000)</i> – FTA will investigate methods and technologies to improve transit system operations. For example, a potential project might be Vehicle Assist and Automation. Vehicle assist and automation systems (VAA) allow precise operations of transit buses in narrow lanes. VAA supports precision docking, vehicle guidance, vehicle platooning and automated operations.</p> <p><i>Transportation Planning: Partnerships and Capacity Building (\$400,000)</i> – This project will provide seed-funding for selected stakeholder groups to work on priority program initiatives, and support the development and delivery of technical assistance and guidance to State and local agencies and transit operators.</p>	
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<p>21st Century Solutions to 21st Century Problems</p>	<p>One way that FTA will utilize 21st century solutions to solve 21st century transportation problems is by researching and developing new technologies to decrease fuel consumption and mitigate the impacts of transit on the environment.</p> <p>Another set of problems that have intensified during the 21st century are urban congestion, urban sprawl, and lack of land-use planning. Transit Oriented Development is a 21st century solution to address this problem.</p> <p>Finally, states and local governments are finding it increasingly difficult to finance public transportation projects. It is therefore essential that the public sector fully leverage each taxpayer dollar by collaborating with the private sector and developing innovative finance solutions.</p> <p>The following projects support the Secretary's priority 21st Century Solutions for 21st Century Problems.</p> <p><i>Clean Fuels and Electric Drive Bus Deployment (\$3,300,000)</i> - This project will analyze the hurdles to deployment of electric, hybrid electric, and hydrogen and fuel cell buses. It will support data collection and outreach for FTA's Fuel Cell Bus Technology Development Program.</p> <p><i>Rail Energy Conservation Improvements (\$1,250,000)</i> – This project will evaluate the most promising and cost effective methods and technologies, identified during Phase I of the program, to reduce electric and fuel energy consumption.</p> <p><i>Transit Oriented Development, Mixed-Use Housing, and Joint Development (\$515,871)</i> – This project supports dissemination of research and best practices related to transit oriented development, mixed-use housing, and joint development.</p> <p><i>Innovative Financing and Public Private Partnerships (\$150,000)</i> – This project will demonstrate innovative finance techniques and public private partnership opportunities for transit specific projects.</p>	<p>\$5,215,871</p>
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EXHIBIT V-4

FEDERAL TRANSIT ADMINISTRATION Implementation of the R&D Investment Criteria

Research and Development Investment Criteria

The President's Management Agenda includes a special initiative to develop better Research and Development (R&D) Investment Criteria. These criteria were created by the Office of Management and Budget to evaluate research at a project level and are a companion to OMB's Program Analysis Rating Tool (PART), used to evaluate Federal programs. The R&D investment criteria have three aims: (1) improve program management; (2) inform funding decisions; and (3) increase public understanding of the benefits of Federal research.

FTA has used the Research and Development Investment Criteria set forth by OMB as a basis for development of its project evaluation system. FTA's investment criteria focus on four main areas: relevance, quality, performance, and additional criterion for developing technologies that address industry issues. Using these criteria, FTA positions itself as a catalyst for change in how the country views and uses transit services.

I. Relevance

FTA has developed a Strategic Research Plan for transit and its R&D programs with five clear goals and priorities:

1. Increase ridership;
2. Improve capital and operating efficiencies;
3. Improve safety and emergency preparedness;
4. Protect the environmental and promote energy independence; and
5. Provide transit research leadership.

The plan will strengthen FTA's focus both on tangible outcomes that make a difference for the transit industry and on improving management and accountability of its National Research program.

In FY 2004, FTA established the Transit Research Analysis Committee (TRAC) at the National Academy of Sciences' Transportation Research Board (TRB) to review FTA's R&D program externally. The DOT's Research, Development and Technology Planning Team also reviewed FTA's program in FY 2005 and FY 2006.

The development of a realistic and achievable Strategic Transit Research Plan that includes input from the transit industry and other key stakeholders was released on September 30, 2005. In FY 2004 and 2005, FTA held various stakeholder meetings that were specifically used to set the agency's R&D agenda and assess its impacts on transit ridership. During FY 2006, The Office of Research, Demonstration, and Innovation completed a draft research program plan that details strategic areas for FTA investment in FY 2009 and beyond.

II. *Quality*

In FY 2007, FTA awarded funds to support projects that furthered DOT/FTA goals based on FTA's competitive procurement procedures.

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 many challenges facing the transit industry. To ensure that the program is adequately focused on the challenges of the transit industry, FTA is supporting the National Academy of Sciences' Transportation Research Board's Transit Research Analysis Committee (TRAC). The TRAC is charged to perform three tasks:

1. Assess the Federal role in transit research relative to the role and activities of others (private sector, universities, States, etc.) engaged in transit research.
2. Identify high priority opportunities for FTA's research agenda with a focused set of theme areas based on industry challenges and FTA's strategic goals and core accountabilities.
3. Suggest processes to facilitate the incorporation of industry stakeholders' views in FTA research programs.

The TRAC supports the integrity of FTA's research agenda via its implementation of a Research Project Evaluation system designed to ensure cost effective results and measurable outcomes. This project evaluation system will ensure that proposed research projects are selected based on an appropriate set of criteria that promotes consistency of evaluations and performance during project execution. In FY 2009, the TRAC will continue to serve as an independent expert panel that will provide a "sounding board" for the overall FTA research program.

FTA's Office of Research, Demonstration, and Innovation developed a scorecard to rate prospective projects based on how well they meet DOT goals and the R&D investment criteria in a two-level project evaluation process. The first level assists in the selection of new discretionary projects. At this level, projects are evaluated for their estimated relevance and results using a graded scorecard system. Once a project has been approved, it enters the second level evaluation process. During the second level, a project evaluation plan is incorporated into the project's work plan as part of the approval process. This requires the collection and analysis of data to determine a project's results and utility.

These actions help to ensure that FTA prioritizes its research based upon an analysis of industry challenges and the best opportunities for success.

III. *Performance*

In FY 2004, the FTA report entitled, “Report on FTA Research Program Expenditures, Advancement of Transit Initiatives and Research Results Implementation to the House and Senate Appropriations Committees” was created. FTA’s Office of Research, Demonstration, and Innovation has produced an annual report outlining the research programs accomplishments during FY 2006.

In FY 2006, FTA continued work on the development of performance measures for the National Research Program. OMB evaluated FTA Research Programs as part of the FY 2008 Budget. The research program received an effective rating, with a Program Analysis Rating Tool (PART) score of 95 percent.

In FY 2007, FTA issued the Multi-Year Research Program Plan. The Multi-Year Research Program Plan prepared by FTA's Office of Research, Demonstration, and Innovation is part of FTA’s strategic planning process. It provides descriptive summaries of existing FTA research projects for FY 2007 through FY 2011, and links these projects to the goals and objectives of FTA’s Strategic Research Plan. It also identifies future transit industry research needs, links these needs to FTA’s research goals and objectives, and describes new research areas and projects that FTA will consider for funding during the next five years.

IV. *Criteria for R&D Programs Developing Technologies that Address Industry Issues*

FTA’s multi-year research program plan identifies areas for strategic investment. FTA continues to work towards the development of measurable milestones, performance plans, and reports that include ‘off-ramps’ and transition points to be used in identifying whether, when, and how aspects of a program or project may be shifted to the private sector.

Implementation of the R&D Investment Criteria

R&D Investment Criteria	How Applied	Actions Reflected in FY 2009 Request
Relevance	<ul style="list-style-type: none"> • Programs have complete plans. • Programs articulate potential public benefits. • Programs document relevance to Presidential priorities. • Programs meet national and customer needs. • Program relevance is accessed. 	<p>The Transportation Research and Analysis Committee (TRAC) provides an independent review and assessment of the needs of the public transportation industry that could be met through future investment in a national research and technology program.</p> <ul style="list-style-type: none"> • FTA augmented the funding request for the Clean Fuels and Electric Drive Bus Deployment project because of the need to increase fuel

		<p>efficiency and decrease vehicle emissions. This project also has a documented link to the President’s “Twenty in Ten” plan.</p> <ul style="list-style-type: none"> • FTA’s Advanced Small Vehicle Development Project funded within the Bus and Bus Rapid Transit Programs was developed as a direct response to a TRAC recommendation to meet small transit providers’ needs.
<p>Quality</p>	<ul style="list-style-type: none"> • Projects are decided through competitive, merit-based processes. • Program quality is assessed. 	<p>FTA’s Office of Research, Demonstration, and Innovation developed a scorecard to rate prospective projects as to how they meet DOT goals and the R&D investment criteria in a two-level project evaluation process.</p> <ul style="list-style-type: none"> • In FY 2009, as in previous fiscal years, FTA will award project funding on a competitive, merit-based process. The Demonstration of Methods, Techniques, and Technologies to Increase Transit Ridership project is one example of how FTA research funding will contribute towards reducing congestion through competitively selected research projects. • The FY 2009 request includes funding for TRAC. TRAC will continue to serve as an independent expert panel that will provide a “sounding board” for the overall FTA research program.

<p>Performance</p>	<ul style="list-style-type: none"> • Relevant program inputs are tracked and reported annually. • Output and outcome measures, schedules, and decision points are identified. • Performance is documented annually. 	<p>OMB’s Program Analysis Rating Tool (PART) evaluated FTA Research Programs. The research program was rated effective, the highest possible rating, with a score of 95 percent.</p> <p>As part of the ongoing PART process, FTA completes an annual review of the Research Program and submits performance documentation to OMB.</p> <ul style="list-style-type: none"> • FTA established stage gates for the Development of Transit Standards project to identify decision points.
<p>Criteria for R&D Programs Developing Technologies That Address Industry Issues</p>	<ul style="list-style-type: none"> • Programs and projects articulate public benefits. • The appropriateness of Federal investment is justified. • Projects are the best means to support Federal policy goals. • Market and industry relevance is demonstrated. • Performance plans and reports include “off ramps” and transition points. 	<ul style="list-style-type: none"> • In FY 2009, as in prior years, FTA will track Trade Promotion and Technical Assistance project’s effect on private sector transit suppliers. The project is designed to assist the private sector enter new markets. • FTA’s Clean Fuels and Electric Drive Bus Deployment Project proposed for FY 2009 is designed to complete the initial research required before the private sector can market clean fuel vehicles.