

FEDERAL TRANSIT ADMINISTRATION

Overview: The Federal Transit Administration (FTA) provides leadership, technical assistance and financial resources for safe, technologically-advanced public transportation that enhances mobility and accessibility, reduces congestion, improves America's communities, preserves the natural environment, advances economic growth, and ensures that transit systems are prepared to function during and after criminal or terrorist attack. Transit systems safely and efficiently move millions of people every day, reducing congestion, improving air quality, facilitating economic development, and connecting people to their jobs and communities. The FY 2008 budget request includes \$9.4 billion for Federal transit programs, which maintains the Federal commitment to transit, and when combined with State and local funding, will reduce congestion, improve mobility and accessibility, address critical safety and security requirements, and advance the President's Management Agenda.

FEDERAL TRANSIT ADMINISTRATION BUDGET (DOLLARS IN MILLIONS)

	<u>2006 Actual</u>	<u>2007 Cont. Res.</u>	<u>2007 Pres. Bud.</u>	<u>2008 Pres. Bud.</u>
FORMULA AND BUS GRANTS	8,278 ^{1/}	6,910	7,263	7,872 ^{2/}
CAPITAL INVESTMENT GRANTS	1,441	1,566	1,466	1,400
RESEARCH & UNIVERSITY RESEARCH CENTERS	74	65	61	61
ADMINISTRATIVE EXPENSES	<u>79</u>	<u>79</u>	<u>85</u>	<u>89</u>
TOTAL	9,872	8,620	8,875	9,422

1/ Includes \$1.4 billion in flex funding transfers from FHWA.

2/ The FY 2008 contract authority level is \$7,873 million, which is \$998 million higher than the obligation limitation in section 3040 of SAFETEA-LU. The FY 2008 budget request reflects an obligation limitation of \$7,872 million.

SUMMARY OF FTA FY 2008 INCREASES AND DECREASES (DOLLARS IN MILLIONS)

	<u>Formula and Bus Grants</u>	<u>Capital Investment Grants</u>	<u>Research & URCs</u>	<u>Admin. Expenses</u>	<u>Total</u>
FY 2007 Base	7,263	1,466	61	85	8,875
Pay Inflation Adjustments	0	0	0	3	3
Non-Pay Inflation Adjustments	0	0	0	1	1
Annualization of FY 2007 Initiatives	0	0	0	0	0
Non-recurring Costs or Savings	0	0	0	0	0
Base Re-engineering, Reductions or Adjustments	609	-66	0	0	543
FY 2008 Current Services Levels	7,872	1,400	61	89	9,422
Program Initiatives	0	0	0	0	0
FY 2008 Request	7,872	1,400	61	89	9,422

FY 2008 Budget

In FY 2008, the Federal Transit Administration (FTA) requests \$9.4 billion in budget authority, \$547 million above the FY 2007 President's budget request. The President's budget will continue to provide stable, predictable formula funds to urbanized areas, significantly increase funding for underserved rural communities, honor multi-year funding commitments under the New Starts program, and improve services to the elderly, low income, and persons with disabilities through coordinated planning and predictable funding.

Formula and Bus Grants: FTA requests \$7.9 billion for transit services, including security, planning, bus and railcar purchases and maintenance, facility repair and construction, and where eligible, operating expenses. The program includes grants specifically targeted to urbanized areas and, through States, to non-urbanized areas and to transportation providers that address the special transportation needs of the elderly, people with low incomes, and persons with disabilities. In addition, funds proposed for the Formula and Bus Grants program will contribute \$8.3 million to improve the accessibility of over-the-road buses, \$25 million for alternatives analysis for projects, and \$3.5 million for the National Transit Database. The following summary describes the major programs within this account:

- Urbanized Area Programs - \$5.8 billion is requested for the Urbanized Area Formula program and the Fixed Guideway Modernization program to help meet the capital replacement, rehabilitation, and refurbishment needs of existing transit systems, and ensure that passengers continue to receive safe and reliable public transportation. The Urbanized Area Formula program also includes funding for the Growing States and the High Density States programs, which distribute funds to the Urbanized and Non-urbanized Area Formula programs under differing factors.
- Bus and Bus Facilities - \$928 million is requested to finance bus and bus-related capital projects, including ferryboat projects, which enhance the Nation's transit systems. 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 (such as passenger shelters and bus stop signs), accessory and miscellaneous equipment such as mobile radio units, supervisory vehicles, fare boxes, computers, and shop and garage equipment.



- Non-urbanized Area Formula - \$506 million is requested in formula funding for 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. The Non-urbanized Area Formula program also includes funding for the High Density States program.

The services that Federal funds support in non-urbanized areas are essential. The Nation's 1,300 rural transit providers take people to work, shopping, and other critical services, such as doctor's appointments. This service is vital for non-drivers living in rural areas, including many of the 30 million elderly, working poor, and individuals with disabilities.

- Job Access and Reverse Commute - \$156 million is requested for Job Access and Reverse Commute projects that 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 are apportioned by formula to States for projects related to the development and maintenance of transportation services designed to transport welfare recipients and eligible low-income individuals.



- Elderly and Individuals with Disabilities - \$127 million is requested to focus on America's commitment to meet 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 can use public transportation. FTA strongly supports the President's commitment to tear down the barriers to equality that face many Americans with disabilities.

- Planning - \$107 million is requested to support the activities of regional planning agencies and States, helping them to plan for transit investments that best meet the needs of the urban and rural communities they serve. This includes funding for Metropolitan Planning and Statewide Planning.
- New Freedom Program - \$87 million is requested to reduce transportation barriers to work for persons with disabilities by providing funding to States to implement innovative transportation solutions. This program will increase access and opportunities for Americans with disabilities, and strengthen the communities in which they live and work.
- Clean Fuels Grant Program - \$49 million is requested to provide financing for the purchase or lease of clean fuel buses and 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 2 percent of grants annually), and other low or zero emissions technology.
- Alternative Transportation in Parks and Public Lands - \$25 million is requested to enhance the protection of America's national parks and public lands, and to increase the enjoyment of those visiting the parks through innovative transportation projects.

Research and University Research: FTA requests \$61 million for transit research programs. This includes \$40.4 million for National Research and Technology Programs to develop solutions that improve public transportation, \$9.3 million for the Transit Cooperative Research Program, \$4.3 million for the National Transit Institute training programs, and \$7 million for the University Transportation Research Program. In FY 2008, FTA requests \$2 million for the clean fuels and electric drive bus deployment (hybrid-electric) program proposed in FY 2007, to encourage increased deployment of new low-emission technology, particularly hybrid electric buses by a greater number of the Nation's transit agencies.

Capital Investment Grants: \$1.4 billion is proposed in FY 2008 for the construction of new fixed guideway and non-fixed guideway corridor systems, and extensions to existing systems. SAFETEA-LU expands the New Starts program to make new non-fixed guideway transportation corridor projects eligible for funding, and to encourage project sponsors to consider more cost-effective transit options that may not require a fixed guideway. The request fully funds the annual cost of 11 existing, two pending, and two proposed Full Funding Grant Agreements (FFGAs), which are multi-year contractual agreements between FTA and grantees. These projects include commuter rail, light rail, heavy rail, and bus rapid transit. In addition, the "Small Starts" program, requested at \$100 million, will incorporate criteria to evaluate projects that are under \$250 million in total cost.



Transit Security: \$46.6 million is requested to support transit security, which will remain a high priority in FY 2008. This funding, the bulk of which comes from the Formula and Bus Grants account, includes the one percent of Urbanized Formula Grant funding that is statutorily required to be spent on security initiatives. Through its technical assistance and other programs, FTA will emphasize security training for transit system employees, emergency preparedness and response, and public awareness efforts.

Project and Financial Management Oversight: To provide oversight of FTA grants, \$74.6 million (\$60.2 million from Formula and Bus Grants, \$14 million from Capital Investment Grants and \$0.4 million from the National Research program) is requested in FY 2008. Project and financial management oversight are core management responsibilities of FTA, and are essential to good stewardship of Federal taxpayers' dollars.



FEDERAL TRANSIT ADMINISTRATION

Proposed FY 2008 Section 5309 New Starts ^{1/}
(Dollars in Millions)

A. Existing Full Funding Grant Agreements (FFGAs)			FY 2008 Pres. Bud.
AZ	Central Phoenix/East Valley Light Rail	Phoenix	90.0
CA	Metro Gold Line Eastside Extension	Los Angeles	80.0
CO	Southeast Corridor LRT	Denver	78.8
DC	Largo Metrorail Extension	Washington	35.0
IL	Ravenswood Line Extension	Chicago	40.0
NJ	Hudson-Bergen MOS-2	Northern NJ	55.2
NY	Long Island Rail Road East Side Access	New York	215.0
PA	North Shore LRT Connector	Pittsburgh	33.5
TX	Northwest/Southeast LRT MOS	Dallas	86.3
UT	Weber County to Salt Lake City Commuter Rail	Salt Lake City	80.0
WA	Central Link Initial Segment	Seattle	70.0
Subtotal Existing FFGAs			863.7
B. Pending Full Funding Grant Agreements			
CO	West Corridor LRT	Denver	40.0
OR	South Corridor I-205/Portland Mall LRT	Portland	80.0
Subtotal Pending FFGAs			120.0
C. Proposed Full Funding Grant Agreements			
NY	Second Avenue Subway	New York	200.0
WA	University Link LRT Extension	Seattle	10.0
Subtotal Proposed FFGAs			210.0
D. Other Projects (Funding Not Allocated to Specific Projects)			
CT	New Britain-Hartford Busway	Hartford	
MN	Northstar Corridor Rail	Minneapolis-Big Lake	
TX	North Corridor BRT	Houston	
TX	Southeast Corridor BRT	Houston	
VA	Dulles Corridor Metrorail Project-Extension to Wiehle Ave.	Northern Virginia	
VA	Norfolk LRT	Norfolk	
Subtotal Other Projects			72.1
E. Small Starts			
CA	Metro Rapid Bus System Gap Closure	Los Angeles	16.7
MO	Troost Corridor BRT	Kansas City	6.3
OR	Pioneer Parkway EmX BRT	Springfield	14.8
WA	Pacific Highway South BRT	King County	14.1
	Other Small Starts Projects		48.2
Subtotal Small Starts			100.0
F. Other Funding			
	Oversight Activities (1%)		14.0
	Ferry Capital Projects (AK or HI)		15.0
	Denali Commission		5.0
Subtotal Other Funding			34.0
GRAND TOTAL			1,399.8

^{1/} Totals may not add due to rounding.