



**U.S. Department of
Transportation**

BUDGET ESTIMATES

FISCAL YEAR 2012

**FEDERAL TRANSIT
ADMINISTRATION**

**SUBMITTED FOR THE USE OF
THE COMMITTEES ON APPROPRIATIONS**

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FEDERAL TRANSIT ADMINISTRATION

FY 2012 BUDGET SUBMISSION

Administrator's Overview

FTA's FY 2012 request marks a ground breaking commitment to expand transit options for Americans and return transit systems to a state of good repair. For FY 2012, the Federal Transit Administration (FTA) requests \$22.351 billion, which is roughly double the FY 2010 enacted level. This request will make transit systems more reliable, efficient, desirable, and safer for the millions of travelers who use them every day.

Transit is a major component of the President's vision for rebuilding the Nation's transportation infrastructure. In his 2010 Labor Day announcement and, more recently, his pledge in the State of the Union to redouble the national commitment to public infrastructure, the President committed \$50 billion in "Up Front" transportation funding in his FY 2012 budget. Of the \$50 billion, \$11.5 billion is included in FTA's FY 2012 request. These funds will be used to jump start rebuilding and expanding transit infrastructure, addressing urgent transportation needs and helping to create jobs.

The "Up Front" investment is also a down-payment on a six-year reauthorization of surface transportation programs including transit programs. FY 2012 would be the first year of this new authorization, and FTA's budget closely reflects proposed legislative reforms to FTA's programs and policies. The budget emphasizes returning the Nation's transit agencies to a state of good repair as well as expanding transit services in areas with little or no transit. It also proposes new transit safety oversight functions and a streamlined program structure that will be funded almost entirely from the Transportation Trust Fund.

The following is an overview of key priorities in FTA's budget organized by departmental strategic goal.

STATE OF GOOD REPAIR: *Ensure the U.S. proactively maintains its critical transportation infrastructure in a state of good repair.*

Returning transportation assets to state of good repair (SGR) is FTA's highest priority and a strategic goal for the Department of Transportation. For FY 2012, FTA requests \$10.707 billion for a new *Bus and Rail State of Good Repair Program*. Of this amount, \$7.5 billion is requested as part of the Administration's \$50 billion "Up Front" economic boost in transportation. The request is more than 300 percent greater than the comparable FY 2010 program level, which is proportionally the largest increase among FTA programs.

Well designed infrastructure investments have long-term economic benefits, but those benefits are not being fully realized because of years of under-investment in maintaining and recapitalizing our public transportation system. This is evident in a recent FTA study that found a \$78 billion backlog of bus and rail transit assets nationwide that need to be repaired or replaced. An earlier FTA study found a \$50 million backlog at the seven largest rail systems. Strategic and targeted investment focused on replacing and rehabilitating aging transit infrastructure is needed

to help bring our Nation's bus and rail systems into a "state of good repair." Having newer and more reliable track, signal systems, vehicles and stations will help ensure safe and dependable bus and rail transit service, which is demanded by the American public.

FTA also proposes that transit agencies be able to use SGR grant funds to purchase asset management systems, which are critical to the success of good capital improvement plans. With these systems in place, transit agencies can systematically monitor the condition of their assets and will be able to make systematic and strategic investment choices. As transit agencies are better able to manage and report on the condition of their capital assets, FTA will be in a better position to measure progress toward a "state of good repair."

SAFETY: *Improve public health and safety by reducing transportation-related fatalities and injuries.*

The Secretary's number one priority is transportation safety. There is considerable concern nationwide about rail transit safety, particularly after recent high-profile collisions and other accidents that killed and injured dozens of passengers and workers and resulted in tens of millions of dollars in property damage. A Secretarial working group found that the Nation's current approach to rail transit safety oversight is dangerously lacking and haphazard. The Department's Surface Transportation Authorization Proposal includes the same proposal that the Secretary transmitted to Congress in December 2009 on behalf of the President that would authorize FTA to establish and enforce Federal rail transit safety standards. The Administration's legislative proposal would repeal an antiquated provision of law dating from 1964 that prohibits the FTA from establishing even the most minimal safety standards for transit systems funded with Federal dollars.

For FY 2012, FTA requests \$45 million for a new *Rail Transit Safety Oversight Program* to oversee 27 rail systems nationwide. Of the \$45 million request, \$37 million would fund at least 25 Federal rail inspectors and grants to States for their own rail transit safety oversight programs. The remaining \$9 million is requested under FTA's new *Operations and Safety* program, which replaces the current *Administrative Expenses* account, to support a new FTA safety office to set policies and standards for FTA's rail transit safety program.

LIVABLE COMMUNITIES: *Foster livable communities through place-based policies and programs that increase transportation choices and access to transportation services.*

Over the past year and a half, FTA and DOT have made great progress developing the *Livable Communities Initiative* and refining the *Sustainable Communities Partnership* with the Department of Housing and Urban Development (HUD) and the Environmental Protection Agency (EPA). But more can be done.

In the budget, FTA proposes to create a new \$3.5 billion *Transit Expansion and Livable Communities Program*. The program includes three discretionary grant programs dedicated to expanding transit services plus a planning and demonstration grant program to promote places where transportation, housing, and commercial development projects have been coordinated so that people have access to adequate, affordable, and environmentally sustainable travel options.

The largest component is the \$3.2 billion request for the *Capital Investment Grant* programs. Of this amount, \$1 billion is part of the Administration's "Up Front" \$50 billion economic boost for transportation infrastructure. These funds will help accelerate the development and financing of critically needed projects to expand transportation options in several communities.

Additionally, FTA is requesting \$190 million for *Metropolitan and Statewide Planning* and a new *Livability Demonstration Grant Program* in direct support of the Administration's *Livability Initiative*. Specifically, FTA requests \$140 million for its existing *Metropolitan and Statewide Planning* programs and proposes reforming local, regional, and state planning making better use of performance data, improving coordination among jurisdictions, and incorporating economic and housing plans into the transportation plan. FTA also requests \$50 million for a new competitive *Livability Demonstration Grant* program. With these funds, FTA would select projects to test different design and conceptual approaches to promoting livability in urban, rural and tribal communities nationwide, allowing FTA to evaluate and compare their relative effectiveness.

ECONOMIC COMPETITIVENESS: *Promote transportation policies and investments that bring lasting and equitable economic benefits to the Nation and its citizens.*

Transit systems across the country play an important role in enhancing the nation's economic competitiveness by carrying tens of millions of riders each day to jobs, employment centers, schools and colleges. About 10 billion trips were taken on transit in 2009.

To provide on-going support for these services, FTA requests \$7.7 billion for the *Transit Formula Grants* program. FTA proposes that the current *Formula and Bus Account* be renamed *Transit Formula Grants* and that it include three core formula programs -- the *Urbanized Area Program*, *Non-Urbanized Area Program*, and a new *Consolidated Specialized Transportation Grant program*. For FY 2012, the *Urbanized Area* program includes a \$2.775 billion set-aside from the Administration's "Up Front" \$50 billion economic boost. Likewise, the *Non-Urbanized Area Program* includes \$225 million from the "Up-Front" \$50 billion economic boost. The increase from FY 2010 enacted levels is 43 percent for both the *Urbanized* and *Non-Urbanized* area programs, including the up-front amounts.

In a change from past practice, FTA proposes that for certain urbanized areas in regions that have experienced steadily declining employment, grantees be allowed to use a portion of their formula assistance for operating expenses on a temporary and targeted basis. Medium and large urbanized areas in these designated regions would be permitted to use up to 25 percent of their *Urbanized Area* apportionment as operating assistance in the first year and declining portions during the second and third years during tough economic times. The recent economic downturn has caused transit agencies to struggle to maintain operating services as state and local revenues dedicated to supporting transit have declined. These services are essential as more Americans turn to transit as a more economical way to get to the places they need to go. Smaller urban areas and rural areas could continue to use formula funds for operating assistance under current law.

FTA also proposes a *Consolidated Specialized Transportation Grant Program*, funded at \$405 million. This program would improve mobility and job access for welfare recipients and low-income persons, and provide transportation options for senior citizens and individuals with disabilities.

Additionally, for FY 2012 and beyond, FTA proposes a new *Public Transportation Emergency Relief Program*. Similar to the Federal Highway Administration's *Emergency Relief* program, which funds the restoration of roads and bridges, FTA requests \$25 million to support the immediate needs of public transportation providers in the wake of disasters. The proposal is based on lessons learned after Hurricane Katrina and other disasters when damaged local transit systems could not provide critical transit services. Following Hurricane Katrina, the Government Accountability Office (GAO) found that existing Federal emergency and disaster relief programs were not responsive to the public transportation needs of communities. The new program would fund the evacuation costs and temporary operating expenses of transit agencies during and after a disaster, but not major capital replacement or repair costs, which the Federal Emergency Management Agency (FEMA) would continue to fund.

ENVIRONMENTAL SUSTAINABILITY: *Advance environmentally sustainable policies and investments that reduce carbon and other harmful emissions from transportation sources.*

From a transportation emissions and fuel consumption standpoint, transit sets the standard among transportation modes for environmental sustainability. For this reason, FTA strives to find ways to encourage the public to take transit as well to make transit systems themselves more energy efficient. For FY 2012, FTA proposes \$90 million for the new *Greenhouse Gas and Energy Reduction Program*, which is comprised of the *Greenhouse Gas and Energy Reduction Deployment Demonstration* (\$75 million) and *Clean and Energy Efficient Public Transportation Research* (\$15 million) programs. FTA will conduct research and provide competitive deployment demonstration grants to advance green technologies within the transit industry that help lower emissions that can contribute to climate change, as well as increase the energy efficiency of transit vehicles, buildings, and facilities.

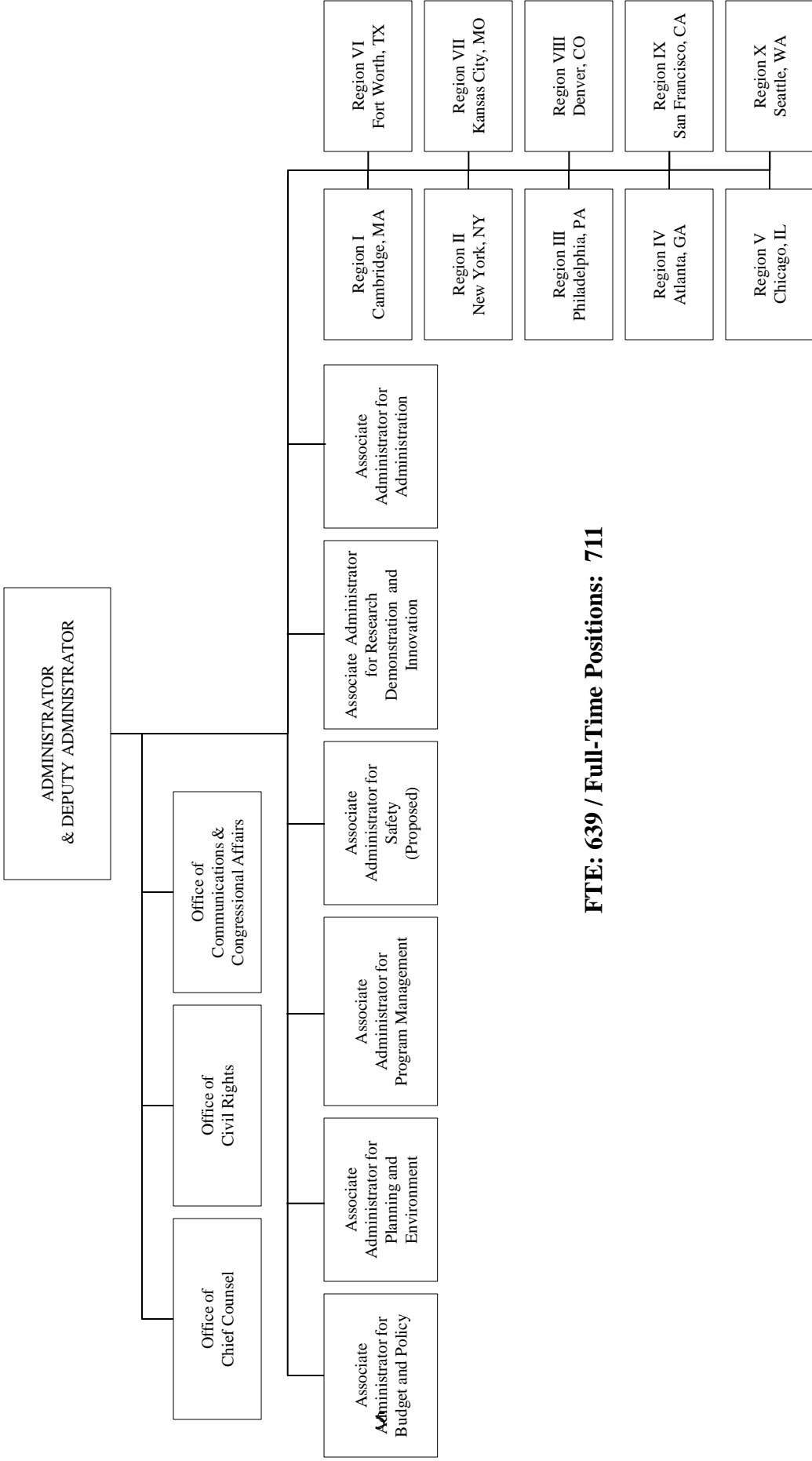
ORGANIZATIONAL EXCELLENCE: *Develop a diverse and collaborative workforce that will enable the Department to advance a transportation system that serves the Nation's long-term social, economic, security, and environmental needs.*

Within a proposed new *Operations and Safety Program*, FTA requests \$121 million, a \$22 million increase, for its *Core Operations*. Additional funds are needed to support the increased workload that will come with the agency's expanded program size, which is proposed to double from the current level. The larger number of grants and contracts that must be reviewed, processed, overseen, and audited will require 40 more FTE, which is less than an eight percent increase above current FTE usage. The additional FTE are on par with the number of staff FTA has brought on board to help administer FTA's \$8.4 billion American Recovery and Reinvestment Act appropriation.

Also, within the *Operations and Safety Program*, FTA requests funds for the safety initiative described above. Depending on whether states decide to operate their own transit safety oversight programs, FTA expects to employ at least 25 field safety inspectors in FY 2012.

FEDERAL TRANSIT ADMINISTRATION

FY 2012 Organizational Chart with FTE and Full-Time Positions



FTE: 639 / Full-Time Positions: 711

EXHIBIT II-1
FY 2012 NEW BUDGET AUTHORITY
FEDERAL TRANSIT ADMINISTRATION
(\$000)

ACCOUNTS	FY 2010 ACTUAL	FY 2011 CR (ANNUALIZED)	FY 2012 REQUEST
1. Bus and Rail State of Good Repair (TF)	-	-	10,707,178
2. Transit Formula Program (Renamed) (TF)	9,771,565 1/	8,342,565 4/	7,691,986
3. Transit Expansion and Livable Communities (TF)	-	-	3,469,070
4. Research & Technology Deployment (TF)	-	-	166,472
5. Washington Metropolitan Area Transit Authority (GF)	150,000	150,000	150,000
6. Operations & Safety (TF)	-	-	166,294
7. Capital Investment Grants (GF)	1,998,000 2/	1,998,000	-
8. National Research and Technology (GF)	65,770	65,770	-
9. Administrative Expenses (GF)	98,911	98,911	-
10. Energy Efficiency & Greenhouse Gas Reductions (GF)	75,000	75,000	-
11. Formula Grants (GF)	1,400 3/	-	-
TOTALS:	12,160,646	10,730,246	22,351,000

NOTE:

- 1/ Includes net \$1.411 billion flex funds transfer from the Federal Highway Administration (FHWA).
- 2/ Net amount after \$2 million transfer to the DOT Inspector General.
- 3/ Reflects transfer from FHWA.
- 4/ Includes rebasing adjustment.

Except for the WMATA account, all FTA funding and spending are mandatory, attributed to the Transportation Trust Fund and subject to PAYGO provisions. Outlays flowing from contract authority, prior obligations of the Highway Trust Fund, baseline discretionary budget authority and outlays are now classified as mandatory and subject to PAYGO in all years. See 'Budgetary Treatment of Surface Transportation Infrastructure Funding' for a description of account treatment.

EXHIBIT II-2
FY 2012 TOTAL BUDGET RESOURCES BY APPROPRIATION ACCOUNT
FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

<u>ACCOUNTS</u>	<u>FY 2010 ACTUAL</u>	<u>FY 2011 CR (ANNUALIZED)</u>	<u>FY 2012 REQUEST</u>
1. Bus and Rail State of Good Repair (TF)	-	-	10,707,178
2. Transit Formula Program (Renamed) (TF)	9,754,171 1/	8,343,171	7,691,986
3. Transit Expansion and Livable Communities (TF)	-	-	3,469,070
4. Research & Technology Deployment (TF)	-	-	166,472
5. Washington Metropolitan Area Transit Authority (GF)	150,000	150,000	150,000
6. Operations & Safety (TF)	-	-	166,294
7. Capital Investment Grants (GF)	1,998,000 2/	1,998,000	-
8. National Research and Technology (GF)	65,670	65,670	-
9. Administrative Expenses (GF)	98,911	98,911	-
10. Energy Efficiency & Greenhouse Gas Reductions (GF)	75,000	75,000	-
11. Formula Grants (GF)	1,400 3/	-	-
TOTALS:	12,143,152	10,730,752	22,351,000

NOTE:

1/ Includes net \$1.411 billion flex funds transfer from the Federal Highway Administration (FHWA).

2/ Net amount after \$2 million transfer to the DOT Inspector General.

3/ Reflects transfer from FHWA.

Except for the WMATA account, all FTA funding and spending are mandatory, attributed to the Transportation Trust Fund and subject to PAYGO provisions. Outlays flowing from contract authority, prior obligations of the Highway Trust Fund, baseline discretionary budget authority and outlays are now classified as mandatory and subject to PAYGO in all years. See 'Budgetary Treatment of Surface Transportation Infrastructure Funding' for a description of account treatment.

EXHIBIT II-3
FY2012 BUDGET REQUEST BY DOT STRATEGIC AND ORGANIZATIONAL GOALS
FEDERAL TRANSIT ADMINISTRATION
(\$000)

	Safety	Environmental Sustainability	State of Good Repair/ Infrastructure	Livable Communities	Economic Competitiveness	Organizational Excellence	Total
ACCOUNT/Program							
Transit Formula Programs	25,000			404,594	7,262,392		7,691,986
Urbanized Area Formula					6,491,664		6,491,664
Other than Urbanized Areas					765,728		765,728
Consolidated Specialized Transp.				404,594			404,594
National Transit Database					5,000		5,000
Emergency Relief	25,000						25,000
Bus and Rail State of Good Repair			10,707,178				10,707,178
Transit Expansion and Livable Communities		27,929		3,441,141			3,469,070
Capital Investment Grants				3,235,556			3,235,556
Parks Program		27,929					27,929
Tribal Transit				15,300			15,300
Planning Programs				140,285			140,285
Livability Demonstration Grant Program				50,000			50,000
WMATA	150,000						150,000
Research and Technology Deployment	12,789	102,532	12,789	12,788	12,787	12,787	166,472
National Research Program	3,333	3,333	3,334	3,333	3,334	3,333	20,000
Transit Cooperative Research Program	1,622	1,622	1,622	1,621	1,621	1,621	9,729

National Public Transportation Institutes	834	833	833	833	833	834	5,000
University Transportation Centers	1,333	1,334	1,333	1,334	1,333	1,333	8,000
Clean and Energy Efficient Public Transportation Research		14,743					14,743
GHG &EE Deployment & Demonstration		75,000					75,000
Technical Assistance Activities	5,667	5,667	5,667	5,667	5,666	5,666	34,000
Operations and Safety	45,211					121,083	166,294
Operations Core						121,083	121,083
Operations Safety Office	8,617						8,617
Rail Transit Safety Oversight	36,594						36,594
TOTAL	233,000	130,461	10,719,967	3,858,523	7,275,179	133,870	22,351,000

EXHIBIT II-3-a
FY2012 BUDGET REQUEST BY DOT OUTCOMES
FEDERAL TRANSIT ADMINISTRATION
(\$000)

DOT Outcome	Program	FY 2012 Request
SAFETY		
Reduction in injuries and fatalities	Transit Formula	25,000
Reduction in injuries and fatalities	WMATA	150,000
Reduction in injuries and fatalities	Research and Technology Deployment	12,789
Reduction in injuries and fatalities	Operations and Safety	45,211
ENVIRONMENTAL SUSTAINABILITY		
Reduced carbon/emissions and dependence on fossil fuels and improved energy efficiency	Transit Expansion and Livable Communities	27,929
Reduced carbon/emissions and dependence on fossil fuels and improved energy efficiency	Research and Technology Deployment	102,532
STATE OF GOOD REPAIR		
Increased proportion of U.S. transportation infrastructure in good condition	Bus and Rail State of Good Repair	10,707,178
Increased proportion of U.S. transportation infrastructure in good condition	Research and Technology Deployment	12,789
LIVABLE COMMUNITIES		
Improved public transit experience	Transit Formula Programs	404,594
Improved public transit experience	Transit Expansion and Livable Communities	3,441,141

Improved public transit experience	Research and Technology Deployment	12,788
ECONOMIC COMPETITIVENESS		
Competitive transportation system	Transit Formula	7,262,392
Competitive transportation system	Research and Technology Deployment	12,787
ORGANIZATIONAL EXCELLENCE		
A diverse and collaborative workforce that will enable the Department to advance a transportation system that serves the Nation’s long-term social, economic, security and environmental needs.	Research and Technology Deployment	12,787
A diverse and collaborative workforce that will enable the Department to advance a transportation system that serves the Nation’s long-term social, economic, security and environmental needs.	Operations and Safety	121,083
TOTAL		22,351,000

EXHIBIT II-4
FY 2012 BUDGET AUTHORITY
FEDERAL TRANSIT ADMINISTRATION
(\$000)

ACCOUNT NAME	FY 2010 ACTUAL	FY 2011 CR (ANNUALIZED)	FY 2012 REQUEST
1. Bus and Rail State of Good Repair (Section 5306) (TF) <i>"Up Front" \$50 billion economic boost (non add)</i>	1/		10,707,178 7,500,000
2. Transit Formula Program (TF)	9,754,171	8,343,171	7,691,986
Urbanized Area Formula Grants (renamed) (Section 5307) <i>"Up Front" \$50 billion economic boost (non add)</i>	4,542,577	4,542,577	6,491,664 2,775,000
Fixed Guideway Modernization (Section 5309)	1,663,033	1,663,033	
Bus and Bus Facility Grants (Section 5309)	981,953	981,953	
Over-the-Road Bus Accessibility Program (Section 3038 TEA-21)	8,782	8,782	
Clean Fuels Grant Program (Section 5308)	51,393	51,393	
Planning Programs (Section 5305)	113,264	113,264	
Formula Grants for Special Needs for Elderly Individuals and Individuals with Disabilities (Section 5310)	133,222	133,222	
Formula Grants for Other Than Urbanized Areas (Section 5311) <i>"Up Front" \$50 billion economic boost (non add)</i>	537,198	537,198	765,728 225,000
Job Access and Reverse Commute Formula Program (Section 5316)	164,158	164,158	
New Freedom Program (Section 5317)	92,308	92,308	
National Transit Database (Section 5335)	3,493	3,493	5,000
Alternatives Analysis Program (Section 5339)	24,948	24,948	
Paul S. Sarbanes Transit in Parks Program (Section 5320)	26,844	26,844	
Consolidated Specialized Transportation Grant Program (Section 5310)	3/	-	404,594
Public Transportation Emergency Relief (Section 5316)	-	-	25,000
FHWA Flex Funding -- Net	1,411,000		
3. Transit Expansion and Livable Communities (TF)	-	-	3,469,070
Capital Investment Grants (Section 5309) <i>Up Front \$50 billion economic boost (non add)</i>	-	-	3,235,556 1,000,000
Paul S. Sarbanes Transit in Parks Program (Section 5320)	-	-	27,929
Tribal Transit Grants (Section 5315)	-	-	15,300
Planning Programs (Section 5305)	-	-	140,285
Livability Demonstration Grant Program (Section 5317)	-	-	50,000
4. Research & Technology Deployment (TF)	-	-	166,472
National Research Program (Section 5312)	-	-	20,000
Transit Cooperative Research (5313)	-	-	9,729
University Transportation Centers Program (Section 5505)	-	-	8,000
Technical Assistance Activities (Section 5314)	-	-	34,000
National Public Transportation Institutes (Section 5314)	-	-	5,000
Greenhouse Gas & Energy Reduction Deployment Demonstration Program (Section 5308)	-	-	75,000
Clean and Energy Efficient Public Transportation Research (Section 5308)	-	-	14,743
5. Washington Metropolitan Area Transit Authority (GF)	150,000	150,000	150,000
6. Operations & Safety (TF)	-	-	166,294
Operations Core	-	-	121,083
Operations Safety Office	-	-	8,617
Rail Transit Safety Oversight (Section 5329)	-	-	36,594
7. Capital Investment Grants (Rebased) (GF)	2/, 4/	1,998,000	-
New Starts/Small Starts (5309)	1,998,000	1,998,000	-
8. National Research and Technology (Rebased) (GF)	2/	65,670	-
National Research Program (Section 5314)	44,370	44,370	-
Transit Cooperative Research (Section 5313)	10,000	10,000	-
National Transit Institute (Section 5315)	4,300	4,300	-
University Centers Program (Section 5506)	7,000	7,000	-
9. Administrative Expenses (Rebased) (GF)	2/	98,911	-
10. Energy Efficiency & Greenhouse Gas Reductions (Rebased) (GF)	2/	75,000	-
11. Formula Grants (GF)	5/	1,400	-
TOTALS:	12,143,152	10,730,752	22,351,000
[Mandatory]	11,991,752	10,580,752	22,201,000
[Discretionary]	151,400	150,000	150,000

1/ The Bus and Rail State of Good Repair program supersedes the Fixed Guideway Modernization and the Bus and Bus Facilities programs.

2/ FY 2012 budget rebases budget authority in these accounts from discretionary to mandatory.

3/ FTA proposes a new Consolidated Specialized Transportation Grant program that consolidates JARC, New Freedom, and Elderly and Disabled Formula Grant programs.

4/ Net amount after \$2 million transfer to the DOT Inspector General.

5/ Transfer from FHWA.

Except for the WMATA account, all FTA funding and spending are mandatory, attributed to the Transportation Trust Fund and subject to PAYGO provisions. Outlays flowing from contract authority, prior obligations of the Highway Trust Fund, baseline discretionary budget authority and outlays are now classified as mandatory and subject to PAYGO in all years. See "Budgetary Treatment of Surface Transportation Infrastructure Funding" for a description of account treatment.

**EXHIBIT II-5
FY 2012 OUTLAYS
FEDERAL TRANSIT ADMINISTRATION
(\$000)**

APPROPRIATION TITLE	FY 2010 ACTUAL	FY 2011 CR (ANNUALIZED)	FY 2012 REQUEST
Bus and Rail State of Good Repair (TF)	1/		1,606,077
Transit Formula Program (Renamed) (TF)	1/	7,345,804	7,644,473
Transit Expansion and Livable Communities (TF)	1/	-	347,000
Research & Technology Deployment (TF)	1/	-	33,294
Washington Metropolitan Area Transit Authority (GF)		-	165,523
Operations & Safety (TF)	1/	-	149,665
Capital Investment Grants (Rebased) (TF)	2/	1,197,000	1,337,000
Capital Investment Grants (GF)		733,184	946,634
Capital Investment Grants, Recovery Act (GF)		435,540	4,375
National Research and Technology (Rebased) (TF)	2/	52,562	57,000
National Research and Technology (GF)			23,899
Administrative Expenses (GF)	2/	96,072	102,137
Energy Efficiency & Greenhouse Gas Reductions (GF)	2/	-	7,500
Transit Capital Assistance, Recovery Act (GF)		2,516,195	2,460,000
Fixed Guideway Infrastructure Investment, Recovery Act (GF)		246,170	222,124
University Transportation Research (GF)		2	158
Job Access and Reverse Commute (GF)		19,362	13,568
Research, Training, and Human Resources (GF)		45	220
Interstate Transfer Grants- Transit (GF)		0	1,079
Formula Grants (GF)		428,422	419,978
Discretionary Grants (Rebased) (TF)			13,000
Discretionary Grants (TF)		17,171	13,144
TOTAL OUTLAYS:		13,087,530	13,418,813
[Mandatory]		8,708,609	9,161,254
[Discretionary]		4,378,922	4,257,559
LIQUIDATING CASH APPROPRIATIONS:			
Bus and Rail State of Good Repair			3,000,000
Transit Formula Programs		9,400,000	9,400,000
Transit Expansion and Livable Communities			600,000
Research & Technology Deployment			166,472
Operations & Safety			166,294

1/ Reflects new scoring convention for programs funded from the Transportation Trust Fund.

2/ FY 2012 budget rebases outlays from discretionary to mandatory starting in FY 2012 in these accounts.

Except for the WMATA account, all FTA funding and spending are mandatory, attributed to the Transportation Trust Fund and subject to PAYGO provisions. Outlays flowing from contract authority, prior obligations of the Highway Trust Fund, baseline discretionary budget authority and outlays are now classified as mandatory and subject to PAYGO in all years. See 'Budgetary Treatment of Surface Transportation Infrastructure Funding' for a description of account treatment.

EXHIBIT II-6

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

OPERATIONS AND SAFETY

Baseline Changes

	2011 CR Level	2011 PC&B By Program	2011 # FTE Per Program	2011 Pay Raises	2012 Pay Raises	2012 Raises	One Less Compensable Day	GSA Rent	WCF Increase/ Decrease	Inflation/ Deflation	FY 2012 Adjusted Base	Program Increases/ Decreases	2012 PC&B Program Increase/ Decrease	2012 # FTE Per Program Increase	2012 Contract Expense Program Increases	FY 2012 OMB Request
OPERATIONS:																
PERSONNEL RESOURCES																
<i>Direct FTE</i>	529										529	40				569
FINANCIAL RESOURCES																
Personnel Compensation & Benefits	\$69,178	\$69,178	\$131	\$0	\$0	\$0	(\$265)			33	\$68,946	\$8,664	\$8,664	\$136		\$77,610
Travel	1,809									346	2,155	195				2,350
Transportation of Things	32									9	41	162				203
Rent (GSA and Other)	6,823						480			0	7,303	512				7,815
Communications & Utilities	72									1	73	27				100
Printing	232									2	234	51				285
Other Services	6,770									1	6,771	4,024				10,795
Other Services - WCF	2,966							330		0	3,296	457				3,753
Supplies & Materials	392									15	407	10				417
Equipment	56									0	56	44				100
Subtotal	\$88,330	\$0	\$0	\$0	\$0	\$0	\$480	\$330	\$407	\$89,282	\$14,146	\$0	\$0	\$0	\$0	\$103,428
PROGRAMS:																
INFORMATION TECHNOLOGY INVESTMENTS																
Communications & Utilities	571									3	574	71				645
Other Services	5,475									27	5,502	916				6,418
Other Services - TEAM Redesign 1/	0									0	4,274	0				4,274
Other Services - WCF	4,181									21	5,579	251				5,830
Equipment	354									2	356	132				488
Subtotal Information Technology	10,581	0	0	0	0	0	0	1,377	53	12,011	5,644	0	0	0	0	17,655
SUBTOTAL EXISTING PROGRAM	\$98,911	\$0	\$0	\$0	\$0	\$0	\$480	\$1,707	\$460	\$101,292	\$19,791	\$0	\$0	\$0	\$0	\$121,083
OFFICE OF SAFETY																
<i>Direct FTE</i>	0									0	0	45				45
Office of Safety	0									0	0	8,617				8,617
RAIL TRANSIT SAFETY PROGRAM																
<i>Direct FTE</i>	0									0	0	25	2/			25
Rail Transit Safety Program	0									0	0	36,594				36,594
TOTAL FTE	529									529	110					639
TOTAL FUNDING	\$98,911	\$0	\$0	\$0	\$0	\$0	\$480	\$1,707	\$460	\$101,292	\$65,002	\$0	\$0	\$0	\$0	\$166,294

1/ This is being requested separately from the maintenance portion of TEAM because it signifies a increase in effort above the maintenance level.

2/ At least 25 of the FTE for inspectors are estimated to be Federal.

EXHIBIT II-7

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

	<u>FY 2011 Annualized CR</u>	<u>FY 2012 REQUEST</u>	<u>CHANGE</u>
<u>DIRECT:</u>			
Operations and Safety	<u>\$7,409,565</u>	<u>\$9,156,292</u>	<u>\$1,746,727</u>
SUBTOTAL	7,409,565	9,156,292	1,746,727
<u>REIMBURSABLE:</u>			
Operations and Safety	<u>0</u>	<u>0</u>	<u>0</u>
SUBTOTAL	0	0	0
TOTAL WCF	\$7,409,565	\$9,156,292	\$1,746,727

EXHIBIT II-8

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

	<u>FY 2010 ACTUAL</u>	<u>FY 2011 CR (Annualized)</u>	<u>FY 2012 REQUEST</u>
<u>DIRECT:</u>			
Core Operations	529	529	569
Office of Safety	-	-	45
Rail Transit Safety Oversight	-	-	25 1/
SUBTOTAL OPERATION AND SAFETY FTEs	<u>529</u>	<u>529</u>	<u>639</u>
Capital Investment Grants - Lower Manhattan Recovery Office	5	6	6
Transit Capital Assistance, Recovery Act	26	40	40
TOTAL FTE's	560	575	685

1/ Estimate of Federal FTE usage.

EXHIBIT II-9

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

	FY 2010 ACTUAL	FY 2011 CR (Annualized)	FY 2012 REQUEST
<u>DIRECT:</u>			
Core Operations	543	545	641
Office of Safety	0	0	45
Rail Transit Safety Oversight	0	0	25
SUBTOTAL OPERATION AND SAFETY FTPs	543	545	711
Capital Investment Grants - Lower Manhattan Recovery Office	6	10	10
Transit Capital Assistance, Recovery Act	42	50	40
TOTAL FTP's	591	605	761

**Federal Transit Administration
Surface Transportation Reauthorization Account Totals**

\$ in Millions

Account	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	Total
Transit Formula Grants	7,692	6,303	6,925	7,609	8,362	9,188	46,079
Bus and Rail State of Good Repair	10,707	3,771	4,341	4,900	5,532	6,247	35,498
Transit Expansion and Livable Communities	3,469	2,856	3,125	3,493	3,772	3,929	20,644
National Research & Technology Deployment	166	192	197	204	210	219	1,188
Transportation Leadership Awards		1,665	1,799	3,011	3,746	4,494	14,715
Operations and Safety	166	179	185	192	198	204	1,124
Totals	22,201	14,966	16,572	19,409	21,820	24,281	119,249

BUS AND RAIL STATE OF GOOD REPAIR
(Legislative proposal, not subject to PAYGO)
(LIQUIDATION OF CONTRACT AUTHORITY)
(LIMITATION ON OBLIGATIONS)
(TRANSPORTATION TRUST FUND)

Contingent upon enactment of multi-year surface transportation authorization legislation, \$3,000,000,000, to be derived from the Mass Transit Account of the Transportation Trust Fund and to remain available until expended, for payment of obligations incurred in carrying out Bus and Rail State of Good Repair programs authorized under title 49, United States Code, as amended by such authorization: Provided, That funds available for the implementation or execution of Bus and Rail State of Good Repair programs authorized under title 49, United States Code, shall not exceed total obligations of \$10,707,178,000 in fiscal year 2012, of which \$7,500,000,000 shall remain available through September 30, 2013, and the balance of which shall remain available until used for the obligation of funds and shall be in addition to the amount of any limitation imposed on obligations for future years.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
BUS AND RAIL STATE OF GOOD REPAIR**

Program and Financing (in millions of dollars)

Identification code : 69-8544-X	2010 Actual	2011 Est.	2012 Est.
Obligations by program activity:			
0001	2,677
0900	-----		2,677
Budgetary resources available for obligation:			
1102	3,000
1137	-3,000
1160	-----		...
Contract authority, mandatory:			
1600	10,707
1640	-----		10,707
1900	-----		10,707
1930	-----		10,707
1941	-----		8,030
Change in obligated balances:			
3030	2,677
3040	-----		-1,606
3090	-----		1,071
3100	-----		1,071
Mandatory:			
4090	10,707
Outlays, gross:			
4100	-----		1,606
4160	-----		10,707
4170	-----		1,606
4180	-----		10,707
4190	-----		1,606
Memorandum (non-add) entries:			
5051	6,636
5053	-----		1,071

BUS AND RAIL STATE OF GOOD REPAIR

PROGRAM AND PERFORMANCE

The 2012 Budget presents FTAs proposed reauthorization program and account structure, including the creation of a new Bus and Rail State of Good Repair account to be funded from the Mass Transit Account of the Transportation Trust Fund. This account replaces the Fixed Guideway Modernization Program and the discretionary bus and bus facilities grant program. The 2012 Budget request includes \$10.7 billion for this account, and over six years. Funding requested in this account will be distributed through formula grants to local transit agencies to improve the condition of existing capital assets to a state of good repair.

Up-Front Investment.—To spur job growth and allow States to initiate sound multi-year investments, the Budget includes a \$50 billion boost above current law spending for roads, railways and runways. Within this account total, \$7.5 billion is provided for additional fixed guideway modernization and bus replacements.

The Administration proposes to move a number of current General Fund programs into the Transportation Trust Fund, as part of surface transportation reauthorization. Amounts reflected in this schedule represent the new mandatory contract authority and outlays supporting these programs. PAYGO costs will be calculated as the change between these amounts and reclassified baseline amounts in the existing General Fund accounts.

EXHIBIT III-1
BUS AND RAIL STATE OF GOOD REPAIR
Summary by Program Activity
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

	FY 2010 ACTUAL	FY 2011 CR (ANNUALIZED)	FY 2012 REQUEST	CHANGE FY 2010-2012
Bus and Rail State of Good Repair	2,644,986	2,644,986	10,707,178	8,062,192
<i>“Up Front” \$50 Billion (non add)</i>	<i>0</i>	<i>0</i>	<i>7,500,000</i>	<i>7,500,000</i>
TOTAL	2,644,986	2,644,986	10,707,178	8,062,192

Program and Performance Statement:

For FY 2012, FTA requests \$10.707 billion for a new *Bus and Rail State of Good Repair Program*. Of this amount, \$7.5 billion is requested as part of the Administration’s \$50 billion “Up Front” economic boost for transportation infrastructure investment and will not require a local matching share. Returning transportation assets to a state of good repair is a strategic goal of the Department and FTA’s highest priority. The FY 2012 request is more than 300 percent more than the comparable FY 2010 enacted levels for the *Fixed Guideway Modernization* and *Bus and Bus Facilities* programs. This is a proportionally larger increase than for any other FTA program.

The program will help improve the condition of the nation’s transit capital assets that studies show are suffering from years of under-investment and suboptimal asset management practices. According to FTA’s June 2010 *National State of Good Repair Assessment*, 29 percent of the nations transit assets are in marginal or poor condition. The study identified a \$78 billion nationwide backlog of transit assets needing repair or replacement.

Deteriorated capital assets erode system performance, cause delays because of break-downs and slower operating speeds, waste fuel, increase passenger crowding, and in some instances, compromise safety. This can help explain, in part, why when compared to other Organization for Economic Cooperation and Development (OECD) countries Americans’ satisfaction with their transit system ranks 25th out of 32 OECD countries.

In conjunction with a significant funding increase, FTA believes that the formula used for distributing these funds must be reformed to ensure that funds are allocated based on recapitalization needs. The formula should also not reward public transportation agencies that have failed to adequately maintain their capital assets in a state of good repair or have allowed

Federal funding to displace State and local funding. Moreover, FTA proposes to make the use of asset management systems a condition for receiving funding and that the acquisition and updating of asset management systems be eligible for reimbursement. Transit systems receiving Federal funds under this program would have to report the condition of their assets and their progress in reducing their capitalization backlog to FTA's *National Transit Database* (NTD).

EXHIBIT III-1a
BUS AND RAIL STATE OF GOOD REPAIR
Summary Analysis of Change from FY 2011 to FY 2012
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

Item	Change From FY 2011 to FY 2012	FY 2012 PC&B By Program	FY 2012 FTEs By Program	FY 2012 Contract Expenses	Total
FY 2011 Base: Pres. Budget 1/		---Note Columns are Non-Add---			
Bus and Rail State of Good Repair - Appropriation, Obligation Limitation, and Exempt Obligations					2,644,986
Adjustments to Base	0				
Subtotal, Adjustments to Base					0
New or Expanded Programs					
Bus and Rail State of Good Repair	562,192				
“Up Front” \$50 Billion	7,500,000				
Subtotal, New or Expanded Program Increases/ Decreases					8,062,192
Total FY 2012 Request					10,707,178

1/ FY 2011 numbers reflect equivalent programs to the FY 2012 program structure.

**EXHIBIT III-2
ANNUAL PERFORMANCE RESULTS AND TARGETS
BUS AND RAIL STATE OF GOOD REPAIR**

The Federal Transit Administration integrates performance results into its budget request to demonstrate alignment with the Department of Transportation’s Strategic Plan. FTA tracks the following DOT level performance measures to demonstrate program results:

DOT Goal/Outcome: State of Good Repair /Increase proportion of transit assets in good condition

Average condition of rail vehicle fleet on a scale of 1 (poor) to 5 (excellent).	2006	2007	2008	2009	2010	2011	2012
Target	3.55	3.55	3.55	3.55	3.55	3.55	3.55
Actual	3.55	3.55	3.47	3.53	NA	NA	NA

DOT Goal/Outcome: State of Good Repair /Increase proportion of transit assets in good condition

Average condition of motor bus fleet on a scale of 1 (poor) to 5 (excellent).	2006	2007	2008	2009	2010	2011	2012
Target	3.24	3.24	3.24	3.24	3.24	3.24	3.24
Actual	3.26	3.21	3.18	3.17	NA	NA	NA

Detailed Justification for the Bus and Rail State of Good Repair

What Do I Need To Know Before Reading This Justification?

- Restoring transit assets to a state of good repair is the top priority of the FTA and is reflected in the significant funding request in the FY 2012 budget.
- FTA proposes a new budget account for the *Bus and Rail State of Good Repair* program.
- FTA recently completed a study that found that 29 percent of all transit assets nationwide (bus and rail) are in marginal or poor condition. This undermines system performance and causes delays, service interruptions, and breakdowns.
- FTA identified a \$78 billion transit asset backlog needing repair or replacement to bring systems into a state of good repair.
- The American public wants and demands better and more reliable transit service and is not satisfied with the current system.

What Is The Request And What Will We Get For The Funds?

FY 2012 – Bus and Rail State of Good Repair-Budget Request (\$000)

Program Activity	FY 2010 ACTUAL	FY 2011 CR (ANNUALIZED)	FY 2012 REQUEST	CHANGE FY 2010-2012
Bus and Rail State of Good Repair	2,644,986	2,644,986	10,707,178	8,062,192
“Up Front” \$50 Billion (non add)			7,500,000	7,500,000
Total	2,644,986	2,644,986	10,707,178	8,062,192

1/ FY 2010 column reflect equivalent programs to the FY 2012 program structure (Fixed Guideway Modernization plus discretionary bus).

FTA requests \$10.707 billion for the *Bus and Rail State of Good Repair* (SGR) program, a 305 percent increase over the combined FY 2010 enacted levels for the *Fixed Guideway Modernization* and *Bus and Bus Facilities* programs.

Of this amount, \$7.5 billion is part of the Administration’s \$50 billion “Up Front” economic boost for investment in the transportation sector. Unlike the \$3.2 billion base program, the \$7.5 billion component will not require a local cost share; the base program will require a 20 percent local match. The “Up Front” funding will also only have a two year period of availability. The goal is to enable transit agencies to undertake major capital projects immediately without having to commit a local match, which can delay project delivery. For both the “up front” funds and the base program, grants will be distributed by a new formula based on need and that treats bus and rail equitably.

The \$10.7 billion request will begin to “buy down” the estimated \$78 billion nationwide capital backlog of transit assets that are in marginal or poor condition (i.e., not in a state of good repair). In light of the size of the backlog, increasing funding for state of good repair is a top priority of FTA for the FY 2012 budget and beyond.

What Is This Program?

Through the SGR program, FTA will provide formula grants to transit agencies to enable them to improve the condition of their existing capital assets -- both bus and rail. The *Bus and Rail State of Good Repair* program replaces the *Fixed Guideway Modernization* and the *Bus and Bus Facilities* programs.

How Exactly Does FTA Define State of Good Repair?

An asset is in a state of good repair when it is within its useful working life -- fully functional and reliable. FTA considers an asset to be in a state of good repair when the physical condition of that asset is at or above a condition rating value of 2.5, based on a 1 (poor) to 5 (excellent) rating system used by FTA's Transit Economic Requirements Model (TERM). FTA's TERM model is used to produce transit asset condition data for the Department's *Conditions and Performance Report* as well as FTA's recent studies on the state of good repair.

Grants will be distributed by a reformulated two-tiered (for both rail and bus) formula that closely reflects the capital needs of transit agencies. The formula will give priority to transit agencies with the most pressing capital investment requirements. Recent FTA studies show that older, rail-based transit systems face the greatest capital replenishment needs. An April 2009 FTA study prepared for Congress found that the nation's seven oldest and largest rail systems have a \$50 billion backlog of assets in marginal or poor condition. Given that, FTA's SGR formulas will balance the needs of older and newer transit systems. It will also address the equity challenges of financially supporting transit agencies that have failed to adequately maintain their capital stock.

Additionally, FTA proposes that asset management plans be eligible for reimbursement under the program and that FTA grantees employ these systems as a condition of receiving Federal SGR funds. With asset management plans, transit agencies can make systematic and strategic investment choices. Asset management entails transit agencies taking inventory of their capital assets, assessing the condition of those assets, using objective and quantitative analysis to estimate reinvestment needs over the long-term, and prioritizing their capital investments accordingly. Modern asset management facilitates the most effective use of resources and helps avoid wasteful or ineffective decisions.

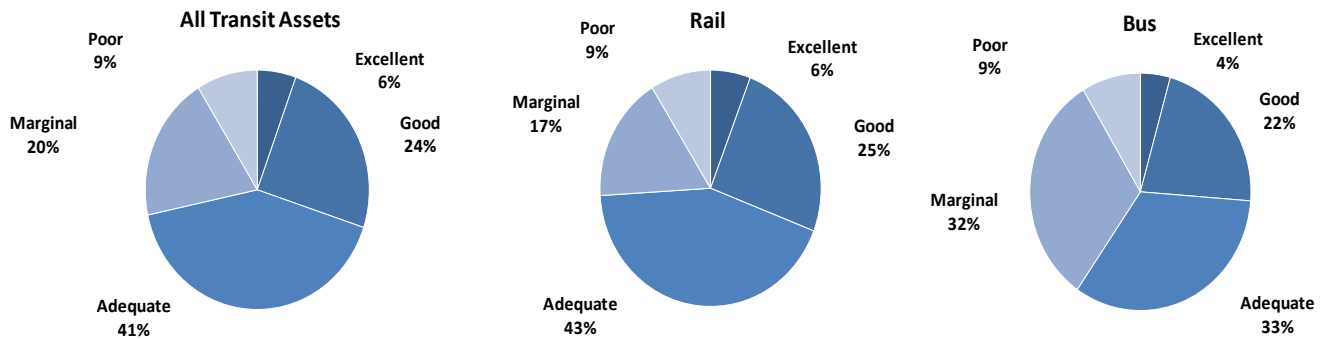
Why Is This Particular Program Necessary?

In April 2009, FTA completed an assessment of the level of investment required to bring the assets of the nation's seven largest rail transit agencies to a SGR. That assessment, published as the *Rail Modernization Study*¹, estimated the current SGR backlog for these seven rail operators to be roughly \$50 billion (in constant 2008 dollars). FTA has updated this study to estimate the condition of all transit assets (bus and rail) nationwide.² FTA found that 29 percent of all assets are in either poor or marginal condition, requiring almost \$78 billion to bring them to a state of good repair (2009 constant dollars). FTA's study found that 26 percent of rail assets and 41 percent of bus assets are in marginal or poor condition. (See below).

¹ http://www.fta.dot.gov/documents/Rail_Mod_Final_Report_4-27-09.pdf

² http://www.fta.dot.gov/news/news_events_11863.html

Asset Conditions Summary



Having capital assets in marginal and poor condition can lead to poor and unreliable transit service. Bus break downs, elevator outages, train derailments, or trains operating at slower speeds because of equipment problems are just some of the problems that occur when capital stock is not properly maintained or replaced. The end effect is that riders are inconvenienced and become less willing to choose public transportation because they find it slow, unreliable, or in the worst conditions unsafe. This is reflected in the statistic that Americans’ satisfaction with public transit ranks 25th out of 32 OECD nations.

FTA has also found that some large transit agencies regularly assess the condition of their assets, but none had a comprehensive asset management program that was used to set long-term priorities for capital reinvestment. FTA proposes the establishment of such systems as an eligible activity for reimbursement under the proposed FY 2012 SGR program. Asset management systems can both empower transit agencies to make informed decisions and enable FTA to track and better account for the condition of transit assets nationwide.

The New York Times on what occurs when necessary investments are not made:

“Americans take heed. Here is what it takes to bring one of the world’s great transportation networks to its knees: a tiny electrical fire in an obscure contraption of levers and pulleys, installed nearly a century ago. The scenario played out last week at the Long Island Rail Road, steward of more than 100,000 daily commutes in and out of New York, after a pair of cables short-circuited and set fire to a single 1920s-era signaling machine that left the railroad unable to run trains through a crucial hub station.”

Source: Spit, Glue and Maybe Even Chewing Gum, Michael M. Grynbaum. August 29, 2010, The New York Times.

How Do You Know The Program Works?

FTA plans to rely heavily on data to manage the program and to know that it works. FTA will target resources to transit agencies with the greatest capital asset needs and monitor progress in bringing transit assets to a state of good repair. As part of this effort, FTA will develop performance metrics that focus on the nation's \$78 billion capital asset backlog and progress toward reducing this backlog. Grantees would have to report asset conditions and how they are addressing their backlog via FTA's *National Transit Database* (NTD) on an annual basis.

FTA's success in this area will depend on the quality of its data, and to that end FTA will pursue two strategies for improving its knowledge of the condition of transit assets.

- **“TERM-Lite”:** FTA's Transit Economic Requirements Model (TERM) is an analysis tool designed to help planners evaluate aggregate long-term transit recapitalization needs at a national level. In development for more than a decade, TERM can estimate the level of capital investment required to attain a state of good repair (or other investment objective) and can also assess how variations in capital funding availability will likely impact the future condition and performance of transit infrastructure. FTA is currently exploring development of a simplified version of TERM (or “TERM lite”) for use by local agency capital planning staff. In return for free use of TERM, FTA will seek local agency asset data and participation in the ongoing improvement of this useful tool.
- **National Transit Asset Inventory:** A prerequisite to effective, long-term transit capital reinvestment analysis – at either the national or local levels – is the availability of good quality asset inventory and condition data. At present, only a handful of U.S. transit operators actively maintain transit asset inventories for capital planning purposes and there is no comprehensive Federal reporting requirement for fixed transit assets, only for vehicles. FTA will expand the current National Transit Database (NTD) reporting requirements to include more complete data on significant local agency asset inventory holdings and their conditions. This data will support TERM's assessments of national reinvestment needs and also demonstrate its value to those agencies not currently collecting this data for their own needs assessment purposes.

Additionally, FTA will expand its efforts to provide technical assistance to grantees to promote SGR practices and to improve FTA's ability to provide assistance to these agencies.

- **SGR Roundtables and Advisory Groups:** FTA currently conducts biannual “roundtables” with industry engineering professionals to address state of good repair issues. These “SGR Roundtables” include industry engineering and capital planning experts with the objective of sharing approaches and solutions to common state of good repair problems. These roundtables also help ensure that FTA's strategies for attaining state of good repair accurately reflect real world reinvestment realities. A recent SGR Roundtable in Chicago featured presentations by transit experts who toured European transit systems to observe their asset management and capital planning practices as part of a Transportation Research Board scan.

- **Transit Asset Management Technical Assistance:** In the early 1990's, the Nation's highway industry initiated development of the country's first transportation asset management systems. Today, virtually all state DOTs possess well-developed asset management processes designed to actively monitor current asset conditions and evaluate reinvestment needs and tradeoffs. Highway conferences typically include multiple sessions focused on asset management processes. The Federal Highway Administration maintains an Asset Management Office. In contrast, few U.S. transit operators possess asset management processes comparable to those in highway divisions of state departments of transportation. FTA will work with the transit industry to jointly develop asset management approaches that serve the nation's public transportation system. Asset management can help agencies:

- Establish clear organizational SGR definitions and objectives
- Better coordinate agency planning, engineering and decision making functions
- Monitor system condition and performance
- Avoid wasteful maintenance and reinvestment mistakes

FTA began working earnestly on these efforts in FY 2010 in response to Congressional direction to use \$5 million of FTA research funds to, in part, provide technical assistance to transit agencies. In response FTA has:

- Fast-tracked development of TERM-Lite
- Developed and scheduled a Transit Asset Management Course through the National Transit Institute, and
- Initiated work to collect more comprehensive asset data in the National Transit Database.

- **SGR and Asset Management Research:** FTA convened a State of Good Repair Workshop in 2008 to identify areas where FTA can provide research and program assistance to improve transit state of good repair and asset management. Examples of issues identified includes:

- Asset Inventory Development: What are the best practices in the development of asset inventories and how are other agencies applying their inventories?
- Linear Asset Management Tools: How are rail transit agencies utilizing "linear asset management tools" for the maintenance management and capital planning needs of their linear rail asset types (e.g., right-of-way, signals, track, tower, structures)?
- Maintenance Management Systems: How can agencies make better use of their existing maintenance management systems to address state of good repair issues?
- Innovative Financing: How can FTA support the industry in developing and promoting the use of innovative financing methods specifically designed to support capital reinvestment?

Why Do We Want/Need To Fund The Program At The Requested Level?

FTA's 2010 *National State of Good Repair Assessment* identified a \$78 billion backlog of reinvestment needs at *all levels of government* (Federal, State, and local). Assuming a 20 year horizon, the nation would need to invest \$18.3 billion annually (from all sources including Federal, State and local governments) in replacing and rebuilding transit capital assets to attain a state of good repair. Just to address normal replacement needs alone, an annual investment of \$14.4 billion would be needed over the next two decades. However, the current annual investment by all levels of government is roughly \$12 billion, suggesting an annual funding gap of over \$2 billion to keep up with on-going requirements, much less achieving a state of good repair.

The FY 2012 budget request alone will not address this shortfall. Nor does it lessen the need for state and local governments and transit agencies to maintain their capital assets. However, it can start to improve the condition of Federally-funded transit assets and create a national focus on SGR that can leverage the efforts of state DOTs and local transit agencies.

TRANSIT EXPANSION AND LIVABLE COMMUNITIES

(Legislative proposal, not subject to PAYGO)

(LIQUIDATION OF CONTRACT AUTHORITY)

(LIMITATION ON OBLIGATIONS)

(TRANSPORTATION TRUST FUND)

Contingent upon enactment of multi-year surface transportation authorization legislation, \$600,000,000, to be derived from the Mass Transit Account of the Transportation Trust Fund and to remain available until expended, for payment of obligations incurred in carrying out mass transit programs authorized under title 49, United States Code, as amended by such authorization: Provided, That funds available for the implementation or execution of mass transit programs authorized under title 49, United States Code, shall not exceed total obligations of \$3,469,070,000 in fiscal year 2012, of which \$1,000,000,000 is to remain available through September 30, 2013 for New Starts Capital Investment Grants, and the balance of which shall remain available until used for the obligation of funds and shall be in addition to the amount of any limitation imposed on obligations for future years.

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

Program and Financing (in millions of dollars)

Identification code : 69-8543-4	2010 Actual	2011 Est.	2012 Est.
Obligations by program activity:			
0001	Fixed Guideway New Sarts Program.....	...	2,427
0002	Paul S. Sarbanes Transit in Parks Program.....	...	21
0003	Tribal Transit Program Grants.....	...	11
0004	Planning programs.....	...	105
0005	Demonstration Grant Program.....	...	38
0900	Total new obligations.....	...	2,602
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1102	Appropriation (trust fund).....	...	600
1137	Appropriation applied to liquidate contract authority.....	...	-600
1160	Appropriation (total discretionary).....	...	...
Contract authority, mandatory:			
1600	Contract authority.....	...	3,469
1640	Contract authority, mandatory (total).....	...	3,469
1900	Budget Authority (total)		3,469
1930	Total budgetary resources available.....		3,469
Change in obligated balances:			
3030	Obligations incurred, unexpired accounts.....	...	2,602
3040	Total outlays (gross).....	...	-347
3090	Unpaid obligations, end of year.....	...	2,255
3100	Obligated balance, end of year.....	...	2,255
Net budget authority and outlays:			
4090	Budget authority, gross outlays, gross	...	3,469
4100	Outlays from new mandatory authority	...	347
4160	Budget authority, net (mandatory)	...	3,469
4170	Outlays, net (mandatory).....	...	347
4180	Budget authority.....	...	3,469
4190	Outlays.....	...	347
Memorandum (non-add) entries:			
5051	Unobligated balance, EOY: Contract Authority.....	...	614
5053	Obligated balance, end of year: Contract Authority.....	...	2,255

TRANSIT EXPANSION AND LIVABLE COMMUNITIES

PROGRAM AND PERFORMANCE

The 2012 Budget presents FTA's proposed reauthorization program and account structure, including the creation of a new Transit Expansion and Livable Communities account. The account is funded from the Mass Transit Account of the Transportation Trust Fund. The 2012 Budget request includes \$3.5 billion for this account. The account includes programs dedicated to expanding transit systems and making communities more livable and sustainable. These objectives will be accomplished through the following five programs:

Capital Investment Grants.—\$3.236 million for the Federal Government's primary source for capital investment in transit infrastructure that is planned, constructed and operated by State and local government entities. These projects include heavy rail, light rail, commuter rail, bus rapid transit and streetcar systems that are implemented in communities across the country. FTA allocates resources to grantees through a competitive process based on a set of statutory rating criteria.

Transit In the Parks—\$28 million for transit service on public lands including national parks, national forests, and national wildlife refuges.

Tribal Transit Grants—\$15 million for transit services on and around Tribal Reservations.

Livability Demonstration Grants.—\$50 million for a new program to demonstrate different approaches to making communities more livable and sustainable.

Planning Programs—\$140 million for formula grants to metropolitan planning organizations and State and local governments for analytical, environmental, and air quality conformity planning work.

Up-Front Investments—To spur job growth and allow States to initiate sound multi-year investments, the Budget includes a \$50 billion boost above current law spending for roads, railways and runways. Within this account total, \$1 billion is provided for additional Capital Investment Grant program funding.

The Administration proposes to move a number of current General Fund programs into the Transportation Trust Fund, as part of surface transportation reauthorization. Amounts reflected in this schedule represent the new mandatory contract authority and outlays supporting these programs. PAYGO costs will be calculated as the change between these amounts and reclassified baseline amounts in the existing General Fund accounts.

EXHIBIT III-1
TRANSIT EXPANSION AND LIVABLE COMMUNITIES PROGRAM
Summary by Program Activity
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

	<u>FY 2010 ACTUAL 1/</u>	<u>FY 2011 CR (ANNUALIZED)</u>	<u>FY 2012 REQUEST</u>	<u>CHANGE FY 2010-2012</u>
Capital Investment Grants	1,998,000 2/	1,998,000 2/	3,235,556	1,237,556
<i>“Up Front” \$50 Billion (non add)</i>	--	--	<i>1,000,000</i>	<i>1,000,000</i>
Tribal Transit	--	--	15,300	15,300
Transit in the Parks	26,844	26,844	27,929	1,085
Planning Programs	113,264	113,264	140,285	27,021
Livability Demonstration Grant Program	--	--	50,000	50,000
TOTAL	2,138,108	2,138,108	3,469,070	1,330,962

1/ FY 2010 and FY 2011 columns reflect equivalent programs to the FY 2012 program structure.

2/ Net of \$2 million transfer to the DOT Inspector General.

Program and Performance Statement

In FY 2012, FTA requests \$3.469 billion for its *Transit Expansion and Livable Communities* program consisting of *Capital Investment Grants*, *Transit in the Parks*, *Tribal Transit*, *Metropolitan and Statewide Planning*, and *Livability Demonstration Grants*. FTA’s *Capital Investment Grants* program is the Federal government’s primary program funding the construction of new fixed guideway systems or extensions to fixed guideway systems and corridor-based bus systems. These projects include heavy rail, light rail, commuter rail, bus rapid transit, streetcar systems, and ferries that are implemented in communities across the country. *Capital Investment Grant* projects are an important component of the Administration’s objective to promote livable communities, improve mobility by implementing alternatives to automobile travel, and reduce the impact on the environment from auto emissions. Of the \$3.236 billion requested for *Capital Investment Grants*, \$1 billion is from the Administration’s \$50 billion “Up Front” economic boost program of transportation infrastructure.

The *Transit in the Parks* program improves mobility, reduces the harmful effects on the environment from emissions, and improves the experience of visitors to Federal lands (e.g., national parks) by providing capital and operational support to transit providers.

The *Tribal Transit Program* improves mobility and economic opportunities for people living on tribal lands through improved transit services.

The *Livable Communities* programs (consisting of the *Planning* and *Livability Demonstration Grant* programs) will provide focused investment in public transportation in metropolitan and rural areas to enhance the development of communities and the livability of people within those communities.

EXHIBIT III-1a
TRANSIT EXPANSION AND LIVABLE COMMUNITIES PROGRAM
SUMMARY ANALYSIS OF CHANGE FROM FY 2010 TO FY 2011
Appropriations, Obligations, Limitations, and Exempt Obligations
(\$000)

Item	Change From FY 2011 to FY 2012	FY 2012 PC&B By Program	FY 2012 FTEs By Program	FY 2012 Contract Expenses	Total
FY 2011 CR Annualized		Note: Columns are Non-Add			
Transit Expansion and Livable Communities Appropriation, Obligation Limitation, and Exempt Obligations					2,138,108
Adjustments to Base	0				
Subtotal, Adjustments to Base					0
New or Expanded Programs					
Capital Investment Grants	237,556				
“Up Front” 50 Billion	1,000,000				
Transit in the Parks	15,300				
Tribal Transit Grants	1,085				
Planning Programs	27,021				
Livability Demonstration Grant Program	50,000				
Subtotal, New or Expanded Program Increases/Decreases					1,330,962
Total FY 2012 Request					\$3,469,070

1/ FY 2011 numbers reflect equivalent programs to the FY 2012 program structure.

**EXHIBIT III-2
ANNUAL PERFORMANCE RESULTS AND TARGETS
TRANSIT EXPANSION AND LIVABLE COMMUNITIES PROGRAM**

The Federal Transit Administration integrates performance results into its budget request to demonstrate alignment with the Department of Transportation’s Strategic Plan. The *Transit Expansion and Livable Communities Program* supports the following DOT goals and outcome measures:

DOT Goal/Outcome: Livable Communities/ Increased access to convenient and affordable transportation choices

Average percentage change in transit boardings per transit market (150 largest transit agencies)	2007	2008	2009	2010	2011	2012
Target	1.5	1.5	1.9	2.0	2.0	2.0
Actual	2.5	4.3	2.2	-4.2	NA	NA

DOT Goal/Outcome: Livable Communities/Improved access to transportation for special needs populations and individuals with disabilities

Percentage of bus fleets that are compliant with the Americans with Disabilities Act (ADA)	2007	2008	2009	2010	2011	2012
Target	97	98	98	98	98	98
Actual	98	98	98	98	NA	NA

DOT Goal/Outcome: Livable Communities/ Improved access to transportation for special needs populations and individuals with disabilities

Percentage of key rail stations that are compliant with the American with Disabilities Act	2007	2008	2009	2010	2011	2012
Target	93	94	94	94.5	94.5	95
Actual	93	95	95	95.2	NA	NA

Detailed Justification for the Transit Expansion Program

What Do I Need To Know Before Reading This Justification?

- FTA has had extensive experience administering the *Capital Investment Grants Program*, which is a discretionary grant program dedicated to funding new fixed guideway systems, extensions to fixed guideway systems, and corridor-based bus systems. Eligible projects include heavy rail, light rail, commuter rail, bus rapid transit, streetcars, and ferries.
- The *Capital Investment Grants* program has a competitive and rigorous project evaluation and approval process. Recently, FTA sought public comment in an Advanced Notice of Proposed Rulemaking (ANPRM) on the way it evaluates and rates projects under the statutory criteria. FTA is currently reviewing the more than 2,000 pages of comments it received and developing a Notice of Proposed Rulemaking (NPRM).
- The *Capital Investment Grants* program uses multi-year project funding commitments that become the foundation of future budget estimates. These are called Full Funding Grant Agreements (FFGA) for larger scale projects and Project Construction Grant Agreements (PCGA) for smaller scale projects.
- FTA is a key component of DOT's *Livability Initiative*, which is a cornerstone of the Federal *Sustainable Communities Partnership* among DOT, EPA, and HUD. The Partnership's aim is to provide access to affordable housing, more transportation options, and lower transportation costs, while protecting the environment in communities nationwide. This account includes the *Livable Communities* program, consisting of the *Planning* programs and *Livable Communities Demonstration Grants* programs which contribute substantially to the objectives of the DOT *Livability Initiative* and the *Sustainable Communities Partnership*.

What Is The Request And What Will We Get For The Funds?

FY 2012 – Transit Expansion and Livable Communities Program – Budget Request (\$000)

Program Activity	FY 2010 Actual 1/	FY 2012 Request	Change FY 2010-FY2012
Capital Investment Grants	1,998,000	3,235,556	1,237,556
“Up Front” \$50 Billion (non add)	--	1,000,000	1,000,000
Transit in the Parks	26,844	27,929	1,085
Tribal Transit	--	15,300	15,300
Planning Programs	113,264	140,285	27,021
Livability Demonstration Grants	--	50,000	50,000
Total	2,138,108	3,469,070	1,330,962

1/ FY 2010 column reflect equivalent programs to the FY 2012 program structure.

For FY 2012, FTA proposes replacing the *Capital Investment Grants* budget account with a new \$3.469 billion *Transit Expansion and Livable Communities Program* funded from the Transportation Trust Fund. The program includes three discretionary grant programs dedicated to expanding transit services, plus planning and demonstration programs aimed at promoting livable communities -- places where transportation, housing, and commercial development investments have been coordinated so that people have access to adequate, affordable, and environmentally sustainable travel options.

The largest portion of the request -- \$3.236 billion -- is for the *Capital Investment Grants* program. This funding would allow FTA to honor existing and new grant funding agreements for projects that are expected to be ready for a funding commitment in FY 2012. Of the \$3.2 billion request, \$1 billion is part of the Administration’s “Up Front” \$50 billion economic boost to jump start investment in transportation infrastructure. These “Up Front” funds, which will be available for obligation for two years, will help accelerate the financing of certain current or pending projects and the development and construction of an additional tranche of projects. The following table lists the President’s request for funding *Capital Investment Grants* projects across the country:

FEDERAL TRANSIT ADMINISTRATION
Proposed FY 2012 Capital Investment Grant Projects

A. Existing Full Funding Grant Agreements (FFGA) – Projects Under Construction or Open for Service			FY 2012 Pres. Bud.
NY	New York, Long Island Rail Road East Side Access	New York	\$215,000,000
NY	New York, Second Avenue Subway Phase I	New York	\$197,182,000
TX	Dallas, Northwest/Southeast LRT MOS	Dallas	\$86,249,717
UT	Salt Lake City, Mid Jordan LRT	Salt Lake City	\$78,889,750
UT	Salt Lake City, Weber County to Salt Lake City Commuter Rail	Salt Lake City	\$52,047,490
VA	Northern Virginia, Dulles Corridor Metrorail Project Extension to Wiehle Ave.	Washington	\$96,000,000
WA	Seattle, University Link LRT Extension	Seattle	\$110,000,000
Subtotal Existing FFGAs			\$835,368,957
B. Pending Full Funding Grant Agreements – Projects First Recommended for Funding in Prior Year Budgets			
CA	Sacramento, South Sacramento Corridor Phase 2	Sacramento	\$50,000,000
CA	San Francisco, Third Street Light Rail Phase 2 – Central Subway	San Francisco	\$200,000,000
CO	Denver, Eagle Commuter Rail	Denver	\$300,000,000
CT	Hartford, New Britain – Hartford Busway	Hartford	\$45,000,000
FL	Orlando, Central Florida Commuter Rail Transit -- Initial Operating Segment	Orlando	\$50,000,000
HI	Honolulu, High Capacity Transit Corridor Project	Honolulu	\$250,000,000
MN	St. Paul-Minneapolis, Central Corridor LRT	St. Pl-Minneapolis	\$200,000,000
TX	Houston, North Corridor LRT	Houston	\$100,000,000
TX	Houston, Southeast Corridor LRT	Houston	\$100,000,000
Subtotal Pending FFGAs			\$1,295,000,000
C. New Full Funding Grant Agreement Funding Recommendations			
CA	San Jose, Silicon Valley Berryessa Extension Project	San Jose	\$130,000,000
OR	Portland, Portland-Milwaukie Light Rail Project	Portland	\$200,000,000
UT	Salt Lake County, Draper Transit Corridor	Salt Lake City	\$113,618,000
Subtotal New FFGA Funding Recommendations			\$443,618,000
D. Project Construction Grant Agreement Funding Recommendations			
AZ	Mesa, Central Mesa LRT Extension	Phoenix	\$37,500,000
CA	Fresno, Fresno Area Express Blackstone/Kings Canyon BRT	Fresno	\$17,800,000
CA	Oakland, East Bay BRT	Oakland	\$25,000,000
CA	San Francisco, Van Ness Avenue BRT	San Francisco	\$30,000,000
FL	Jacksonville, JTA BRT North Corridor	Jacksonville	\$6,443,200
MI	Grand Rapids, Silver Line BRT	Grand Rapids	\$12,887,943
TX	El Paso, Mesa Corridor BRT	El Paso	\$13,540,000
WA	King County, RapidRide E Line BRT	Seattle	\$21,629,000
WA	King County, RapidRide F Line BRT	Seattle	\$15,880,000
Subtotal Project Construction Grant Agreement Funding Recommendations			\$180,680,143
E. Other Capital Investment Program Funding Recommendations (may include additional projects not listed below)			
CA	Los Angeles, Regional Connector Transit Corridor	Los Angeles	N/A
CA	Los Angeles, Westside Subway Extension	Los Angeles	N/A
NC	Charlotte, LYNX Blue Line Extension – Northeast Corridor	Charlotte	N/A
WA	Vancouver, Columbia River Crossing Project	Vancouver	N/A
Subtotal Other Capital Investment Program Funding Recommendations			\$400,000,000
F. Oversight (2.5%)			\$80,888,900
GRAND TOTAL			\$3,235,556,000

The budget request also directly supports DOT's *Livable Communities Initiative*, which aims to increase access to convenient, affordable transportation choices, improvements in the public transit experience, provide for additional pedestrian and bicycle networks, and improved access to transportation for special needs populations and individuals with disabilities. Specifically, the budget includes \$140.285 million for *Planning* programs and \$50 million for a new *Livability Demonstration Grant* program. While these planning and demonstration programs are most clearly tied to the *Livable Communities* initiative, in fact, all of FTA's programs work to enhance the livability of communities by providing transportation options for people and communities across the country.

In addition, FTA requests \$15.3 million for the *Tribal Transit* program to maintain and expand transit systems in Tribal communities, and \$27.9 million for the *Transit in the Parks* program, which funds buses, trams and non-motorized facilities on Federal lands, including our National Parks.

What Is This Program?

The *Transit Expansion and Livable Communities Program* includes a set of programs that provide discretionary grant funds through competitive processes for capital investments in new and existing transit systems including heavy rail, light rail, streetcars, ferries, and bus rapid transit. They also provide transit assistance to Federal (forests, parks, and refugees) and tribal lands, and provide planning resources and demonstration project funds to foster livable communities.

Capital Investment Grants

Through the *Capital Investment Grants* program, FTA allocates funds for major transit capital projects that are locally planned, implemented, and operated. These projects include heavy rail, light rail, commuter rail, bus rapid transit, ferries, and streetcar systems that are implemented in communities across the country.

The direct beneficiaries of the program are transit systems that receive Federal funding for construction of new and expanded transit systems. The ultimate beneficiaries are the citizens served by those systems. While it may take several years for the benefits to be realized as construction is initiated and completed, these projects will ultimately enable the transit systems to carry more passengers and to provide the public more transportation options.

Program partners include State and local governments and transit agencies that develop the new or expanded transit systems. The FTA does not build or maintain transit systems or assets, but provides capital funding and performs an oversight role. As required by law, FTA ensures that planning projections are based on realistic assumptions and that design and construction follow acceptable industry practices. FTA evaluates and rates projects seeking *Capital Investment Grant* funding based on statutory criteria, and determines the project sponsor's financial and technical capability to undertake the project and deliver it on time and on budget. Grant recipients are responsible for providing matching funds and for managing the planning, engineering, construction, and perpetual maintenance of the new or expanded infrastructure.

Capital Investment Grant projects must proceed through a statutorily defined project development process. FTA is required to evaluate and rate projects at various steps throughout the process according to criteria set forth in law. FTA must recommend projects for funding each year in the President's budget and include those recommendations and project ratings in an annual report to Congress in a companion document to the budget. FTA awards construction funding, if appropriated, to project sponsors through multi-year funding agreements (either Full Funding Grant Agreements (FFGAs) or Project Construction Grant Agreements (PCGAs)).

2010 and 2011 Accomplishment

- Two projects are expected to open for service in FY 2011 (Dallas, TX and Mid Jordan, Salt Lake City, UT)
- Of the 10 FFGAs recommended for funding in FY 2011, one has been submitted to Congress for the required 60 day review period that must occur before execution (the Central Corridor Light Rail, St. Paul – Minneapolis). Three other FFGAs, the Denver East and Gold Line Corridors and the Central Florida Commuter Rail project, are expected to be executed before the end of FY 2011.
- In June 2010, FTA began a new rulemaking process by publishing an Advanced Notice of Proposed Rulemaking (ANPRM) in the Federal Register to update the *New* and *Small Starts* evaluation and rating process to better capture the wide range of benefits transit can provide, including specific questions on how to measure and evaluate cost-effectiveness, economic development and environmental benefits. FTA is reviewing comments received on the ANPRM, which will lead to the formulation and publishing of an NPRM.
- In December 2009, FTA announced the availability of \$130 million in *Capital Investment Grants* funds for *Urban Circulator* systems, and awarded the funding in June of 2010. Many of these grants will be obligated during FY 2011.
- FTA approved three projects into final design, three projects into preliminary engineering, and six projects into Small Starts project development in FY 2011 to date. Several other approvals are anticipated before the end of FY 2011.

2012 Program Changes

For FY 2012 and beyond, FTA proposes changes to the *Capital Investment Grant* program's authorization that would streamline project delivery, beginning with reducing and changing program categories, often referred to as *New Starts* and *Small Starts*.

- *New Starts* projects are currently defined as those whose sponsors request \$75 million or more in *New Starts* funds or anticipate a total capital cost of \$250 million or more. New Starts projects are evaluated and rated on a set of defined project justification and local financial commitment criteria.

- *Small Starts* projects are currently defined as those whose sponsors request less than \$75 million in Small Starts funds and anticipate a total capital cost of less than \$250 million. *Small Starts* projects are evaluated and rated on fewer project justification criteria and local financial commitment. Projects considered “exempt” from the statutory evaluation and rating process (those seeking less than \$25 million of *Capital Investment Grant* program funding) were eliminated in the latest authorization (SAFETEA-LU) pending the publication by FTA of a final regulation implementing Small Starts, which has not yet occurred.

Going forward, rather than maintaining separate *New Starts* and *Small Starts* categories with different evaluation and rating criteria, FTA proposes to use one set of project evaluation criteria applied to projects seeking *Capital Investment Grant* program funding.

- Projects whose sponsors are seeking more than \$100 million in *Capital Investment Grant Program* funds would receive construction funding through a Full Funding Grant Agreement. The budget includes \$2.574 billion for this set of projects.
- Projects whose sponsors are seeking less than \$100 million in *Capital Investment Grant Program* funds would receive construction funding through a simplified Project Construction Grant Agreement. The budget includes \$181 million for this set of projects.

Projects could be “exempt” from the evaluation and rating process if the project sponsor is seeking less than \$100 million in *Capital Investment Grant* program funds and the request represents less than ten percent of the project’s anticipated total capital cost. These “exempt” projects would be subjected only to basic Federal grant requirements and would not be evaluated and rated under the proposed criteria.

“Other” Capital Investment Grant Funding Recommendation Category

As discussed in FTA’s *Annual Report on Funding Recommendations* that accompanies the FY 2012 budget, FTA has reserved \$400 million for “other” projects that, as of now, are not ready to receive Federal funding but could reach that threshold by FY 2012. By reserving funding for additional projects in FY 2012, FTA recognizes that a project’s advancement does not necessarily coincide with the Federal budget process. Project sponsors can expedite project development as they overcome project uncertainties, address local funding issues, and utilize innovative procurement and delivery practices. Reservation of these funds allows FTA to be poised to provide funding for additional qualified projects. The \$400 million in this category consists of the following two types of funding:

Funding for Advanced Project Development - \$300 million By reserving \$300 million for this category, FTA may provide funding to projects that reach the later stage of project development before the end of FY 2012 but that are not recommended for funding at this time. These projects could include the four identified in the *Capital Investment Grant* project table above.

Funding for Early Project Development - \$100 million This category of funding is designated for projects in the early stage of project development. By reserving \$100 million for this category, FTA may provide funding to projects that enter into project development before the end of FY 2012.

Project Streamlining

FTA follows a rigorous but time-consuming process based on requirements set forth in law when reviewing grant applications for *Capital Investment Grants* funding. This process focuses on awarding Federal dollars to the highest rated projects. However, sometimes project timelines are sacrificed along the way, resulting in higher project costs. Consequently, in reauthorization FTA is proposing changes to its processes to strike the right balance between stewardship and the need to advance projects in a reasonable timeframe. These include:

- Eliminating the need for an alternatives analysis since this is already performed as part of the National Environmental Policy Act process.
- Reducing the number of FTA approval steps in the process. Rather than separate Preliminary Engineering and Final Design approvals, projects would be required to obtain FTA approval at one stage called Project Development.
- Simplifying and reducing the number of project performance criteria from six to four. The four criteria would include transportation effects, environmental effects, economic development, and comparison of projects to costs.

Transit in the Parks and Tribal Transit

The *Transit in the Parks* and *Tribal Transit* programs provide financial and technical assistance to the Department of the Interior and Tribal governments for managing their respective transit systems.

The *Transit in the Park* program funds public transportation on Federal public lands (national parks, national forests and national wildlife refuges). Funds are used to provide capital and operational support to transit providers (Park Service, Forest Service, US Fish and Wildlife Service, NGOs and concessionaires) in order to improve access for all individuals and support environmental conservation efforts on these lands.

The *Tribal Transit* program provides funding for transit services on and around tribal reservations. The Tribal Transit program was previously included within the *Non-Urbanized Area Formula Grant* program, but is being established as a stand-alone program to acknowledge the independence of Indian tribes from State governments and to make funds eligible for tribes in urbanized and non-urbanized areas.

Livable Communities

As Transportation Secretary Lahood has noted, livability means being able to take your kids to school, go to work, see a doctor, drop by the grocery or post office, go out to dinner and a movie, and play with your kids in a park, all without having to get in your car. For FY 2012, FTA's *Livable Communities* programs (consisting of the *Planning* and *Livable Communities Demonstration Grants* programs) bring together both planning resources and demonstration project funds to enable communities, depending on their needs, to prepare for and execute projects that enhance livability. DOT, HUD, and EPA have identified six livability principles for coordinating federal transportation, environmental protection, and housing investments at their respective agencies. Both planning and demonstration work funded by FTA would further these principles.

Sustainability Partnership Principles

1. Provide more transportation choices. Develop safe, reliable and economical transportation choices to decrease household transportation costs, reduce our nation's dependence on foreign oil, improve air quality, reduce greenhouse gas emissions and promote public health.
2. Promote equitable, affordable housing. Expand location- and energy-efficient housing choices for people of all ages, incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation.
3. Enhance economic competitiveness. Improve economic competitiveness through reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers as well as expanded business access to markets.

4. Support existing communities. Target federal funding toward existing communities – through such strategies as transit-oriented, mixed-use development and land recycling – to increase community revitalization, improve the efficiency of public works investments, and safeguard rural landscapes.
5. Coordinate policies and leverage investment. Align federal policies and funding to remove barriers to collaboration, leverage funding and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.
6. Value communities and neighborhoods. Enhance the unique characteristics of all communities by investing in healthy, safe and walk able neighborhoods – rural, urban or suburban.

Metropolitan and Statewide Planning

FTA requests \$140.258 million for *Metropolitan and Statewide Planning* (both programs authorized in SAFETEA-LU) for formula grants to metropolitan planning organizations and state and local governments for analytical, environmental, transportation air-quality conformity, evaluation, and policy-plan-program development work. This planning work will ensure that Federal transportation investments support the mobility needs of sustainable, livable communities while preserving environmental quality and being cost-beneficial. For FY 2012, FTA proposes merging *Alternatives Analysis* activities and funding into the *Metropolitan and Statewide Planning* programs.

In the past decade Federal surface transportation law has increasingly recognized the importance of transportation planning. The quality of planning in many locations, however, can be improved. Some of the major areas of concern that these changes seek to address include:

- Transportation planning that complies with Federal procedural requirements, but fails to address mobility and community needs cohesively.
- Lack of connectivity between transportation, land use, and environmental concerns.
- Challenges reaching consensus on projects that cross jurisdictional boundaries.
- Ineffective connections between surface modes with each other and with airports.
- Limitations in addressing air quality and greenhouse gas emissions, especially across geographical and political boundaries.
- Inadequate technical capacity of planning organizations.
- Imbalanced planning relationships between states and non-urban areas and metropolitan planning entities, as well as between all of those entities and transportation providers and the public.

To address these issues, the Department’s reauthorization proposal will significantly reform transportation planning requirements for state and local governments.

Metropolitan Transportation Planning

FTA proposes to modify *Metropolitan Transportation Planning* requirements to support

performance-based, results driven, multi-modal transportation planning in metropolitan areas. To assist with this effort, MPO designations will be split into two categories (Tier I and Tier II), with requirements for each tier being established to account for various levels of sophistication and complexity of transportation planning in urbanized areas of different sizes. The new approach enhances the effectiveness of MPOs as a partner with state DOTs, local jurisdictions, other planning bodies, and the general public.

Statewide and Non-Metropolitan Transportation Planning

The proposed new approach to statewide and non-metropolitan transportation planning focuses on enhancing the effectiveness of States, both independently and as a partner with metropolitan areas, local jurisdictions, and other planning bodies (inter- and intrastate), in developing and implementing statewide transportation planning documents.

Motivating Planning Reform: *Transportation Leadership Awards*

In its authorization proposal, the Department creates a new major tool to encourage states, metropolitan planning organizations (MPOs) and tribes to demonstrate transformational policy planning solutions.

Through the new \$30 billion *Transportation Leadership Awards* competitive grant program, DOT will reward states, MPOs, and tribes to adopt bold, innovative strategies and best practices in transportation planning, management, spending, and project delivery. Examples of strategies include innovative multimodal planning and funding methods, pricing and revenue options, land use guidelines, environmental stewardship measures, and economic development strategies. Applicants would have to demonstrate a strong collaboration with MPOs and local governments within their jurisdiction to be successful.

FTA will be responsible for administering nearly half of the \$30 billion program. FTA will coordinate with the Federal Highway Administration, which also will award its own *Transportation Leadership Award* grants, and the Office of the Secretary. FTA's funding would begin in FY 2013 to allow FTA time to develop program standards and criteria.

Livability Demonstration Grants

Through a proposed new \$50 million *Livability Demonstration Grant* program FTA would award competitive grant funds to demonstrate innovative livability projects. The program would have a matching requirement of at least a 50 percent non-Federal share.

The program's objective is to test innovative methods for integrating transit into the creation of livable and sustainable community development. Projects eligible for funding provided under this program will be selected based on their demonstration of innovative or best practices and local incentives in accordance with the six livability principles mentioned earlier in this section. An evaluation component would be integrated into the program, and FTA would use these funds to test different design and conceptual approaches to promoting livability, allowing FTA to compare their relative effectiveness.

Eligible projects could include transit station area planning, real estate acquisition, streetscape improvements, pedestrian and bike improvements, demolition and/or site preparation, open space improvement, permitting, intermodal facilities, land preservation for affordable housing, and community service facilities. Funding could also cover peer exchanges, project evaluation, information sharing, and industry dialog activities.

The program focuses on savings that are realized from coordination of local development efforts. Projects would be evaluated based upon their demonstration of innovative or best practices, and local incentives for integrating transit with community development in accordance with the DOT-HUD-EPA Partnership's livability principles.

Recent experience will help guide FTA's administration of the new program. In FY 2010, FTA used available discretionary funds for livability related transit investments. An April 2010, Notice of Funding Availability (NOFA) advertised \$65 million in discretionary livability grants for tribal, parks, and planning projects, and a December 2010 NOFA advertised \$280 million in available funds for *Bus and Bus Facilities* projects and *Urban Circulator Systems*. The experience of administering these grant funds has provided lessons that FTA can use for administering discretionary *Planning* and *Livability Demonstration Grants*.

Why Is This Particular Program Necessary?

The different programs within the *Transit Expansion and Livable Communities* program address specific needs within the transit sector.

The *Capital Investment Grants Program* is necessary because it allows transit agencies to undertake major capital projects that they would otherwise be unable to finance alone. Among existing Federal transportation funding programs, there are no viable alternatives for transit agencies seeking large sums of funding for capital expansions. Many of the nation's transit systems are struggling to keep up with the new demand for their services. State and local governments, which are also fiscally restricted by balanced budget requirements as well as the

current economic decline, rely on the multi-year funding commitment the program provides. As a result, program funding is critical to meeting the future needs for transit.

The *Transit in the Parks* and *Tribal Transit* programs provide critical and dedicated sources of funding for Federal lands and Indian reservations, each of which has particular public transportation needs.

The *Livable Communities* program helps address the situation in many communities where local decisions about how and where to develop housing and commercial property are divorced from decisions about how and where to invest in transportation infrastructure and facilities. Often neither housing nor transportation planning is done with environmental or public health consequences in mind. This segmented approach to urban and regional planning (including zoning and permitting) is, to a large degree, a product of local governments reacting to the distinct requirements of stove-piped Federal funding sources. Consider for example that HUD's *Community Development Block Grant (CDBG)* planning requirement uses different time horizons than DOT's transportation planning requirements.

A lack of a comprehensive and strategic approach to planning has manifested itself in many ways in communities of all sizes. Countless thoroughfares are designed solely around cars and are dangerous to pedestrians; housing developments are located without regard to access to transit alternatives; employment centers are located based simply on where land is the cheapest. The cumulative result of these decisions is that, in many places, Americans must depend solely on cars to conduct their business, shop, commute to work, and carry out their daily lives.

This has very real impacts on individuals and households. A recent study by the White House Council of Economic Advisors has noted, "Americans annually spend one-third more on transportation than food, and more than two times as much as on out-of-pocket healthcare expenses.... Increasing the availability of affordable and accessible public transit systems, and reducing fuel consumption by making better use of the land would benefit Americans and allow them to spend less money on transportation."

The goal of the *Livable Communities Program* is to help localities break this pattern and to enable them to make informed, coordinated decisions as they relate to transportation, housing, and the environment.

How Do You Know The Program Works?

The *Capital Investment Grants* program has clear and rigorous project evaluation and rating criteria that FTA uses to evaluate projects seeking funding. The criteria currently include project justification criteria (mobility improvements, environmental benefits, operating efficiencies, cost effectiveness, transit supportive land use policies and future patterns, and economic development) and local financial commitment criteria.

FTA also conducts "Before-and-After Studies" comparing the estimated capital cost of the project with the actual cost to complete the project, as well as estimated and actual ridership data. The first Before-and-After Study was provided by the Utah Transit Authority (UTA) located in

Salt Lake City during FY 2007. The study demonstrated that while UTA's Light Rail University Line - Medical Center extension underwent a number of scope changes throughout the planning process, once the final length and alignment had been decided, the actual costs came in \$6 million under budget and the line was able to open over a year ahead of schedule. The number of weekday trips on the University Line after the Medical Center extension was opened increased from 2,026 in 2002 to 5,210 trips in 2005, an increase of over 150 percent.

The basic tenets of the *Livable Communities* program have proven successful in areas across the country. A clear example is transit oriented development (TOD), which links land use and transportation planning. TOD is considered to be compact, mixed-use development near transit facilities and high-quality walking environments. The typical TOD project leverages transit infrastructure to promote economic development, livability and sustainability, and caters shifting market demands and lifestyle preferences. TOD is about creating livable communities where people of all ages and incomes have transportation and housing choices, employment accessibility, and location efficiency where people can walk, bike and take public transportation.¹

Furthermore, studies have shown that communities that follow livability principles experience a variety of benefits ranging from increased economic productivity to cleaner air, to safer, healthier residents. Salt Lake City's Quality Growth Strategy focuses on compact, mixed-use development and is predicted to save the region \$4.5 billion in infrastructure costs, preserve hundreds of miles of undeveloped land, double the number of transit trips taken, and increase the number of residents that live within close proximity to rail transit by over 20 percent. In addition, Minnesota has made a targeted investment in livability by focusing on bike and transit options to where nearly 40 percent of residents either bike, ride transit, or carpool to work. These investments give people options and keep them healthy. In 2003, Smart Growth America released a study detailing how people living in more compact, walkable counties are likely to walk more, weigh less, and are less likely to suffer from hypertension than people living in more sprawling counties.² These factors, coupled with an emphasis on climate change and reducing carbon footprints, have created a "critical mass" that has made transit oriented or transit supportive development a major focus of local planning efforts as citizens look for opportunities to live and work closer to transit stations.

Many mature transit communities are playing catch-up. They are only now trying to retrofit many station areas to accommodate the increased demand for development near transit stations. These stations have various levels of development potential with one thing in common – development of the areas surrounding transit stations will strengthen the livability and economy of the communities where located. The *Planning and Livable Communities Demonstration Grant* programs will support these efforts.

Additionally, FTA integrates performance results into its budget request to demonstrate alignment with the Department of Transportation's Strategic Plan. Exhibit III-II lists several DOT level performance measures used to support *Transit Expansion and Livable Community*

1 *Reconnecting America: Why Transit-Oriented Development and Why Now*, 2007, <http://www.reconnectingamerica.org/public/reports/115>

2 *Measuring the Health Effects of Sprawl A National Analysis of Physical Activity, Obesity and Chronic Disease*, Smart Growth America, Surface Transportation Policy Project, September 2003

results.

Why Do We Want/Need To Fund The Program At The Requested Level?

The FY 2012 request for the *Capital Investment Grant* program is based on the identified funding needs for the projects that FTA believes have advanced sufficiently through the process and demonstrated sufficient project merit to warrant receipt of a FFGA or PCGA during FY 2012. The additional \$1 billion in “Up Front” funding will help to advance the development and construction of more projects than could be done otherwise in FY 2012. These critically needed projects will expand transportation options and provide economic benefits to several communities. Without this funding, these projects will be delayed, which will ultimately increase the cost of completion.

The requested funding for the *Livable Communities* programs is expected to leverage significant local resources. The \$140 million for *Planning* programs is an increase of \$27 million, or 24 percent, above the FY 2010 enacted level. Its funding formula ensures that all transit agencies and localities will receive some base level of Federal support for planning. For FY 2012 and beyond, this amount is leveraged because FTA will require that local planning agencies take an integrated approach that recognizes livability and sustainability principles.

The \$50 million request for the *Livability Demonstration Grant* program reflects the cost of undertaking a range of transportation and infrastructure projects. With these funds, FTA would select projects to test different approaches to promoting livability, which would allow FTA to evaluate and compare their relative effectiveness. Moreover, the cost-share for the projects would be at least 50 percent local, meaning that more Federal funds can leverage more local investment.

TRANSIT FORMULA GRANTS
(Legislative proposal, not subject to PAYGO)
(LIQUIDATION OF CONTRACT AUTHORITY)
(LIMITATION ON OBLIGATIONS)
(HIGHWAY TRUST FUND)
[(INCLUDING TRANSFER OF FUNDS)]

Contingent upon enactment of multi-year surface transportation authorization legislation, [For payment of obligations incurred in carrying out the provisions of 49 U.S.C. 5305, 5307, 5308, 5309, 5310, 5311, 5316, 5317, 5320, 5335, 5339, and 5340 and section 3038 of Public Law 105-178, as amended, \$9,200,000,000] \$10,000,000,000, to be derived from the Mass Transit Account of the [Highway] Transportation Trust Fund and to remain available until expended, for payment of obligations incurred in carrying out mass transit programs authorized under title 49, United States Code, as amended by such authorization: Provided, That funds available for the implementation or execution of mass transit programs authorized under title 49, United States Code, [U.S.C. 5307, 5308, 5309, 5310, 5311, 5320, 5335,] shall not exceed [total] obligations of [\$8,271,700,000] \$7,691,986,000 for Transit Formula Grants programs in fiscal year [2011] 2012, of which \$3,000,000,000, to remain available for obligation through September 30, 2013, is for Urbanized Area and Non-urbanized Area Formula Grants, and the balance of which shall remain available until used for the obligation of funds and shall be in addition to the amount of any limitation imposed on obligations for future years. [: Provided further, That \$306,905,000 in contract authority for programs under 49 U.S.C 5305, 5316 and 5339 is transferred to the "Livable Communities" account, Federal Transit Administration: Provided further, That \$52,743,000 in contract authority to implement programs under 49 U.S.C. 301 is transferred to the Greenhouse Gas and Energy Reduction account of the Federal Transit Administration.]

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

Program and Financing (in millions of dollars)

Identification code : 69-8350-X	2010 Actual	2011 Est.	2012 Est.
Obligations by program activity:			
0001	4,872	5,093	7,656
0002	1,383	1,637	813
0003	495	1,436	949
0004	1	16	12
0005	19	83	57
0006	165	104	47
0007	163	253	171
0008	16	43	30
0009	22	40	23
0011	176	152	86
0012	633	516	825
0013	90	140	94
0014	4	5	5
0015	64	77	103
0016	...	...	303
0017	...	...	19
0900	8,103	9,595	11,193
Budgetary resources available for obligation:			
1000	5,714	7,427	6,193
1010	-5	...	...
1021	49	...	...
1050	5,758	7,427	6,193
Budget authority (gross), detail:			
Appropriations, discretionary:			
1102	9,400	9,400	10,000
1120	-23	...	...
1121	1,052	...	...
1137	-10,429	-9,400	-10,000
1160	...	...	...
Contract authority, mandatory:			
1600	8,361	8,361	7,593
1610	-23	...	...
1611	1,434	...	...
1640	9,772	8,361	7,593
1900	9,772	8,361	7,593
1930	15,530	15,788	13,786
1941	7,427	6,193	2,593

(Continued on next page)

TRANSIT FORMULA GRANTS
(Legislative proposal, not subject to PAYGO)
(LIQUIDATION OF CONTRACT AUTHORITY)
(LIMITATION ON OBLIGATIONS)
(HIGHWAY TRUST FUND)
[(INCLUDING TRANSFER OF FUNDS)]

Contingent upon enactment of multi-year surface transportation authorization legislation, [For payment of obligations incurred in carrying out the provisions of 49 U.S.C. 5305, 5307, 5308, 5309, 5310, 5311, 5316, 5317, 5320, 5335, 5339, and 5340 and section 3038 of Public Law 105–178, as amended, \$9,200,000,000] \$10,000,000,000, to be derived from the Mass Transit Account of the [Highway] Transportation Trust Fund and to remain available until expended, for payment of obligations incurred in carrying out mass transit programs authorized under title 49, United States Code, as amended by such authorization: Provided, That funds available for the implementation or execution of mass transit programs authorized under title 49, United States Code, [U.S.C. 5307, 5308, 5309, 5310, 5311, 5320, 5335,] shall not exceed [total] obligations of [\$8,271,700,000] \$7,691,986,000 for Transit Formula Grants programs in fiscal year [2011] 2012, of which \$3,000,000,000, to remain available for obligation through September 30, 2013, is for Urbanized Area and Non-urbanized Area Formula Grants, and the balance of which shall remain available until used for the obligation of funds and shall be in addition to the amount of any limitation imposed on obligations for future years. [: Provided further, That \$306,905,000 in contract authority for programs under 49 U.S.C 5305, 5316 and 5339 is transferred to the "Livable Communities" account, Federal Transit Administration: Provided further, That \$52,743,000 in contract authority to implement programs under 49 U.S.C. 301 is transferred to the Greenhouse Gas and Energy Reduction account of the Federal Transit Administration.]

TRANSIT FORMULA GRANTS

PROGRAM AND PERFORMANCE

The 2012 Budget presents FTA's proposed reauthorization program and account structure. This includes renaming the Formula and Bus Grants account to the Transit Formula Grants account and reorganizing programs within the account. Some programs previously funded here have been merged with others or moved to other accounts. The account is funded from the Mass Transit Account of the Transportation Trust Fund. The 2012 Budget request includes \$7.7 billion for this account.

Formula Grant funds can be used for all transit capital purposes including bus and railcar purchases, facility repair and construction, maintenance and where eligible, planning and operating expenses. These funds help existing transit systems provide safe and reliable transportation options, promote economically vibrant communities and helps communities meet the requirements of the Americans with Disabilities Act (ADA) and the Clean Air Act (CAA). The 2012 formula grant program structure includes:

Urbanized Area Formula.—\$6,492 million 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. Formula funds to areas of 50,000 or more in population for capital projects, including preventive maintenance, and in instances operating costs.

Non- Urbanized Areas Formula.—\$766 million will be apportioned by legislative formula based on each State's nonurban areas with populations of less than 50,000. Available funding may also be used to support intercity bus service as well as to help meet rural and small urban areas' transit needs.

Consolidated Specialized Transportation Grant Program.—\$405 million. A new program that replaces three existing grant programs for targeted populations (formerly the Elderly Individuals and Individuals with Disabilities Program, the New Freedom program, and the Job Access and Reverse Commute program). This new program would continue the goals of these programs by funding alternative forms of transportation where traditional services are unavailable, inappropriate, or insufficient.

National Transit Data Base (NTD).—\$5 million. For operation and maintenance of the NTD, a database of statistics on the transit industry that FTA is legally required to maintain. NTD data serves as the basis for FTA formula apportionments to its grant recipients.

Emergency Relief Program.—\$25 million. A new program to help transit agencies restore needed transportation services following disaster events.

Up-Front Investments.—To spur job growth and allow States to initiate sound multi-year investments, the Budget includes a \$50 billion boost above current law spending for roads,

railways and runways. Within this account total, \$3 billion is provided for additional transit formula grant assistance to both urban and rural areas.

The Administration proposes to reclassify all surface transportation outlays as mandatory, with the recommendations of the Presidents National Commission on Fiscal Responsibility and Reform. Amounts reflected in this schedule represent the spending increase above baseline that is subject to PAYGO.

Exhibit III-1
TRANSIT FORMULA GRANTS
Summary by Program Activity
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

	<u>FY 2010 ACTUAL 1/</u>	<u>FY 2011 CR (ANNUALIZED) 1/</u>	<u>FY 2012 REQUEST</u>	<u>CHANGE FY 2010 to FY 2012</u>
Urbanized Area Formula Grants	4,542,577	4,542,577	6,491,664	1,949,087
<i>“Up Front 50” Billion (non add)</i>	0	0	2,775,000	2,775,000
Non Urbanized Area Formula Grants 2/	537,198	537,198	765,728	228,530
<i>“Up Front 50” Billion (non add)</i>	0	0	225,000	225,000
National Transit Database	3,493	3,493	5,000	1,507
Consolidated Specialized Transportation Grant Program 3/	225,530	225,530	404,594	179,064
Public Transportation Emergency Relief Program	0	0	25,000	25,000
TOTAL	\$5,308,798	\$5,308,798	\$7,691,986	2,383,188

1/ Reflects the 2010 enacted obligation limitation level applied to selected programs within the appropriations for the \$8.343 billion Formula and Bus Account.

2/ For FY 2012, *Tribal Transit Grants* are included in the *Transit Expansion and Livable Communities Account*.

3/ For FY 2012, the *Consolidated Specialized Transportation Grant* program is a new 2012 program that combines *Job Access and Reverse Commute, Elderly Individuals and Individuals with Disabilities*, and the *New Freedom* programs.

Program and Performance Statement:

FTA requests \$7.692 billion for the *Transit Formula Grants* account based on a restructuring of FTA’s programs starting in FY 2012. FTA proposes that the current *Formula and Bus Account* be renamed *Transit Formula Grants* with three core formula programs -- the *Urbanized Area Program, Non-Urbanized Area Program*, and a new *Consolidated Specialized Transportation Grant program*. The account would also continue to fund the *National Transit Database*.

For FY 2012 only, the Urbanized Area program includes a \$2.775 billion set-aside as part of the Administration's "Up Front" \$50 billion economic boost for transportation infrastructure. Likewise, the Non-Urbanized Area Program includes \$225 million from the "Up Front" \$50 billion. The increase from FY 2010 enacted levels is 43 percent for both *Urbanized* and *Non-Urbanized Area* formula programs, including the "Up Front" amounts.

FTA also proposes establishing a new *Public Transportation Emergency Relief* program to provide grants to transit agencies in the wake of disasters – both natural disasters and terrorist attacks – to help resume operations as quickly as possible. In many communities public transportation provides critical services to residents to carry on daily activities, and a temporary interruption in transit service because of a natural disaster can be disruptive and even cause economic dislocation to those that rely on it to get to work, medical appointments, and other activities.

FTA's formula programs support 1,330 transit agencies nationwide with capital assistance and as operating assistance in certain cases. These funds help existing transit systems alleviate congestion, provide safe and reliable transportation options, and improve the condition of bus and rail fleets.

EXHIBIT III-1a
TRANSIT FORMULA GRANTS
Summary Analysis of Change from FY 2011 to FY 2012
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

Item	Change From FY 2011 to FY 2012	FY 2012 PC&B By Program	FY 2012 FTEs By Program	FY 2012 Contract Expenses	Total
FY 2011 CR Annualized 1/		Note: Columns are Non-Add			
Transit Formula Grants - Appropriation, Obligation Limitation, and Exempt Obligations					\$5,308,798
Adjustments to Base	0				
Subtotal, Adjustments to Base					0
New or Expanded Programs					
Urbanized Area Formula Grants	1,949,087				
Non Urbanized Area Formula Grants	228,530				
Consolidated Specialized Transportation Grant Program	179,064				
National Transit Database	1,507				
Public Transportation Emergency Relief Program	25,000				
Subtotal, New or Expanded Program Increases/ Decreases					2,383,188
Total FY 2012 Request					\$7,691,986

1/FY 2011 numbers reflect program structure equivalent to the FY 2012 budget.

**EXHIBIT III-2
ANNUAL PERFORMANCE RESULTS AND TARGETS
TRANSIT FORMULA GRANTS**

The Federal Transit Administration integrates performance results into its budget request to demonstrate alignment with the Department of Transportation's Strategic Plan. *Transit Formula Grants* track the following DOT level performance measures to demonstrate program results:

DOT Goal/Outcome: Livable Communities/More transportation choices

Average percent change in transit boarding's per transit market (150 largest transit agencies)	2007	2008	2009	2010	2011	2012
Target	1.5	1.5	1.9	2.0	2.0	2.0
Actual	2.5	4.3	2.2	-4.2	N/A	N/A

DOT Goal/Outcome: Livable Communities/A more accessible fleet

Percentage of bus fleets that are compliant with the Americans with Disabilities Act (ADA)	2007	2008	2009	2010	2011	2012
Target	97	98	98	98	98	98
Actual	98	98	98	98	N/A	N/A

DOT Goal/Outcome: Livable Communities/A more accessible fleet

Percentage of key rail stations that are compliant with the American with Disabilities Act	2007	2008	2009	2010	2011	2012
Target	93	94	94	94.5	94.5	95
Actual	93	95	95	95.2	N/A	N/A

DOT Goal/Outcome: Livable Communities/Better mobility in rural areas

Increase in transit trips in non-urbanized areas	2007	2008	2009	2010	2011	2012
Target	N/A	N/A	N/A	N/A	N/A	N/A
Actual	N/A	N/A	1.3	N/A	N/A	N/A

DOT Goal/Outcome: Livable Communities/More transportation choices

Increase in transit seat-miles by urbanized area transit	2007	2008	2009	2010	2011	2012
Target	N/A	N/A	N/A	N/A	N/A	N/A
Actual	-0.5	2.5	0.4	N/A	N/A	N/A

Detailed Justification for Transit Formula Grants

What Do I Need To Know Before Reading This Justification?

- In the FY 2012 budget and as part of its multi-year reauthorization surface transportation proposal, the Administration creates a special “Up Front” \$50 billion for jump-starting investment in transportation infrastructure. These funds are allocated across several DOT programs in FY 2012 including \$11.475 billion in FTA programs.
- Formula grants for non-urbanized or rural areas are used for capital and operating assistance. Funds for urbanized areas with populations over 200,000 can be used for capital projects and preventative maintenance, but not for operating assistance.
- The new consolidated specialized transportation grant program supports senior citizens, low-income individuals, and individuals with disabilities where core public transit services are unavailable, insufficient, or inappropriate.
- FTA does not have an *Emergency Relief* program or the authority to provide emergency assistance under current law. Transit agencies must currently rely on FEMA for emergency assistance. GAO evaluated FEMA and FTAs’ efforts to assist transit agencies following Hurricane Katrina and raised several issues about the effectiveness of current emergency assistance programs for public transportation.

What Is The Request And What Will We Get For The Funds?

FY 2012 – Transit Formula Grants (\$000)

Program Activity	FY 2010 Enacted /1	FY 2012 Request	Difference from FY 2010 Enacted
Urbanized Area Formula Grants	4,542,577	6,491,664	1,949,087
“Up Front” \$50 Billion (non add)	0	2,775,000	2,775,000
Non-Urbanized Area Formula Grants	537,198	765,728	228,530
“Up Front” \$50 Billion (non add)	0	225,000	225,000
Consolidated Specialized Transportation Grant Program	225,530	404,594	179,064
National Transit Data Base	3,493	5,000	1,507
Public Transportation Emergency Relief Program		25,000	25,000
Total	5,308,798	7,691,986	2,383,188

1/ Reflects the FY 2010 enacted obligation limitation applied to selected programs within the *Formula and Bus Account*.

2/ FY 2010 and FY 2011 columns reflect equivalent programs to the FY 2012 program structure.

FTA requests \$7.692 billion for the *Transit Formula Grants* program, which is restructured for the FY 2012 Budget. The request is 45 percent more than the equivalent FY 2010 program levels.

For FY 2012 and beyond, the program would include three core formula-based capital grant programs, as well as the *National Transit Database* and a new *Public Transportation Emergency Relief* program. The three formula grant programs include the:

- *Urbanized Area Grants Program*
- *Non-Urbanized Area Grants Program*
- *Consolidated Specialized Transportation Grant Program*

What is the “Up Front \$50” Billion Request?

On Labor Day 2010, the President announced in Milwaukee his pledge to redouble the national commitment to public infrastructure. Shortly after this announcement, the White House released a plan to invest \$50 billion in transportation infrastructure. More recently the President has reiterated this pledge in his State of the Union Address. This plan is presented in detail in the FY 2012 budget and embedded in the Administration’s surface transportation reauthorization proposal. The initiative’s goal is to quickly boost investment in transportation infrastructure because there is a clear need and demand for it and to help create jobs.

For FY 2012, the request for the *Transit Formula Grants* program includes \$3 billion of the Administration’s “Up Front” \$50 billion transportation infrastructure investment program. Of this amount, \$2.75 billion is set-aside for the *Urbanized Area Program* and \$225 million for the *Non-Urbanized Area Program*. With the “Up Front” \$50 billion, the increase from the FY 2010 enacted levels for both programs is 43 percent. For the “up-front” program dollars, FTA will not require a local match from grantees since that can slow-down the delivery of eligible projects. The up-front funding will also only have a two-year period of availability to jump start more infrastructure investment.

In its reauthorization proposal, FTA continues the *Non-Urbanized Area Formula Grants* program largely unchanged from its current design and function. The *Urbanized Area Formula Grants* program would also continue unchanged, but with one significant exception. FTA proposes that for certain urbanized areas with steadily declining employment, FTA funding be available for operating assistance – though only on a temporary and targeted basis. Grantees in these large urbanized areas would be permitted to temporarily use up to 25 percent of their urbanized area apportionment in the first year and declining portions during the second and third years for operating assistance during times of economic hardship. Note that in smaller urban areas and in rural areas, FTA formula funds can already pay for operating assistance.

Starting in FY 2012, FTA would establish a \$25 million *Public Transportation Emergency Relief* program. Through this program, FTA would provide grants to transit agencies to help resume operations as quickly as possible in the wake of a disaster—whether a natural disaster or a terrorist attack. Within the first year of establishing this program, FTA would develop operating procedures and regulations. FTA would also develop performance measures to track the timeliness of restoring transit operations after a disaster.

Additionally, FTA proposes creating a *Consolidated Specialized Transportation Grant Program* to replace three existing transportation grant programs for targeted populations (the *Elderly Individuals and Individuals with Disabilities*, the *New Freedom*, and the *Job Access and Reverse Commute* programs). Also within this account, FTA requests \$5 million to support its *National Transit Database* (NTD) to fund data collection, validation, and dissemination of information about transit agencies. NTD is included in this account because it provides the data used to apportion urbanized and non-urbanized program funding using statutory formulas.

Last, FTA proposes changing the *oversight* take-down percentages for each of the FTA Formula Grant Programs in the *Transit Formula Grants* program to better align oversight resources with

the growth of program resources and the complexity of today's transit projects. The proposal would also expand the universe of FTA programs subject to an oversight takedown.

What Is This Program?

Through its core formula programs, FTA provides grant assistance, primarily for capital projects, to 1,330 transit agencies across the country. Grants are used to invest in the basic needs of maintaining and sustaining the nation's \$607.2 billion in transit capital assets. To a limited extent, these funds also support operating assistance for transit systems servicing less than 200,000 in population.

FY 2010 Base Accomplishments

In FY 2010, FTA obligated \$5.9 billion in grants through its *Urbanized and Non Urbanized Area, Job Access and Reverse Commute, New Freedom,* and the *Elderly Individuals and Individuals with Disabilities* programs. 2010 accomplishments include:

- 6,949 vehicles purchased
- 1,790 rail cars purchased
- 916 grants made through the *Urbanized Areas* program
- 81 grants made through the *Non-Urbanized Areas* program
- 413 grants made through the *JARC, New Freedom, and Elderly and Disabled* programs

For FY 2012, FTA proposes that the account be comprised of the following programs:

Urbanized Area Formula Grants – The *Urbanized Area Formula Grants* program funds the purchase of new buses and rail vehicles, maintenance of existing buses and rail systems, and the purchase and adequate maintenance of bus and rail related capital. Grants are available to transit agencies in urbanized areas with a population of 50,000 or more, and can also be used for operating expenses in areas with populations between 50,000 and 200,000. Starting in FY 2012, FTA proposes eligibility for operating expenses in areas with a population of 200,000 or more on a temporary and targeted basis as described below.

Temporary and Targeted Operating Assistance for Urbanized Areas

Starting in FY 2012 FTA proposes giving transit agencies, in urbanized areas of 200,000 or more in population, the option to use up to 25 percent of their urbanized area apportionment to fund operating costs on a temporary and targeted basis.

All transit agencies regardless of size feel the effects of down-turns in the economy and must manage budgetary pressures by reducing services or raising fares or both at the same time the public needs greater transit options to locate and reach jobs. FTA's proposal is meant to give transit agencies in urbanized areas a financial bridge to recovery.

Under FTA's proposal, transit agencies may – but are not required to -- use *Urbanized Area Formula* funding for operating assistance for a set period if there is a measureable decline in employment levels in their metropolitan area. FTA would track the monthly economic data for 400 metropolitan areas as reported by the Bureau of Labor Statistics (BLS), which map closely to urbanized areas.

If employment levels decline measurably over three consecutive months (one fiscal quarter) in a metropolitan area, FTA would permit grantees in that area to use a portion of their urbanized area grant funding for operating assistance for no longer than three consecutive years, subject to the following scale: up to 25 percent in year one, 15 percent in year two, and 10 percent in year three. As with Non-Urbanized area operating assistance, the Federal-local cost share would be split evenly.

If a transit agency elects to use a portion of its funding for operating assistance, it would be excluded from re-qualifying for assistance in the future for a period equal to the number of years they use it for operations. To prevent the substituting of Federal funds for local dollars, each transit agency would have to certify to FTA that its local funding partners did not reduce the proportion of local funding dedicated to transit (e.g., reducing a local tax rate dedicated to transit) and that service levels are maintained and not cut below previous levels.

Non-Urbanized Area Formula Grants – For areas under 200,000 in population, formula grants may be used for operating assistance. These resources also help maintain the condition of Federally funded capital assets in order to provide safe, reliable transit services.

Public Transportation Emergency Relief – The purpose of this program is to restore transit operations as quickly as possible in the wake of a disaster. As such, the program would provide grants for necessary activities, including providing funds for evacuations, leasing vehicles from other transit agencies to restore service, and any costs eligible for temporary vehicles or facilities. Like the FHWA *Emergency Relief Program*, the FTA program would use a “quick release” mechanism to provide funds to affected communities within days of a disaster. Transit agencies currently eligible for FTA assistance under Title 49 of Chapter 53 would be eligible for assistance. The program would complement the role of FEMA, which would continue to fund long-term recovery costs for repairing or replacing damaged or destroyed capital assets.

Program beneficiaries would be transit agencies in communities designated as natural disaster areas. Program partners would include local transit agencies that receive assistance. Another key partner would be FEMA, which would coordinate with FTA to determine each agency's role in providing assistance.

Consolidated Specialized Transportation Grant Program – FTA proposes creating this program to replace three existing transportation grant programs for targeted populations (the *Elderly Individuals and Individuals with Disabilities*, the *New Freedom*, and the *Job Access and Reverse Commute* programs) while enhancing the ability of fund recipients to target program resources to best meet the mobility need of their communities. The objective of this program is to ensure transportation services are made available in urbanized and non-urbanized areas, and are designed to fill gaps in or enhance transportation services available to meet the particular needs of older adults, low-income individuals, and people with disabilities who are not well served by existing public transportation service. Funds may be used for planning, capital investments, and operating costs of projects derived from a locally coordinated public transit – human service transportation plan.

Why consolidate three established specialized transportation programs?

Over time, FTA's grant recipients have had to devote increasing time and resources to administer the various requirements of FTA's programs that offer mobility for older adults, people with disabilities and low-income individuals. FTA's existing programs include:

- The *Elderly Individuals and Individuals with Disabilities Program* expanded from a state administered program that awarded funds solely to private non-profit organizations who provided transportation services to their clients into a formula program that currently provides grants to States for allocation to non-profit and public entities.
- The *Job Access and Reverse Commute Program (JARC)* was established to provide capital, operating and planning assistance to address the unique transportation challenges faced by welfare recipients and low-income individuals seeking to get and keep jobs. JARC began as a discretionary program, but program funds are currently distributed via formula to States and urbanized areas with populations over 200,000 on an annual basis to support transportation services for low-income individuals.
- The *New Freedom Program* was established to reduce barriers to transportation services and expand the transportation mobility options available to people with disabilities beyond the requirements of the Americans with Disabilities Act (ADA) of 1990. This program provides formula funds to States and urbanized areas with populations over 200,000 to support capital and operating expenses for new public transportation services and alternatives to public transportation that go above and beyond the public transportation requirements of ADA.

In response to stakeholder feedback, FTA proposes to reduce grantees' administrative burden and streamline program execution by merging these programs into a *Consolidated Specialized Transportation Grant*. The new program continues existing eligibilities from current programs, but would enable communities to target program funds based on needs identified through a locally developed and coordinated public transit-human service transportation plan. This type of coordinated planning requirement has proven to be an effective mechanism for communities to best leverage these program funds to meet the mobility needs of these populations.

National Transit Database - The *Formula Grants Program* would continue the *National Transit Database* (NTD) in FY 2012 and beyond. The *NTD* is the primary national database for statistics on the transit industry. Approximately 750 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 billions of dollars in FTA formula funds to transit agencies.

Project Oversight Budget

FTA is authorized to administer an *Oversight Program* to ensure that Federal funds are used cost effectively and in accordance with applicable laws and regulations. The law provides for a percentage take-down to its major grant programs to fund oversight activities of individual capital projects. FTA organizes its oversight activities into five basic categories:

- Project Management Oversight – Engineering and technical reviews
- Financial Management Oversight – Review of grantees’ financial management systems
- Safety Oversight– Establishment and enforcement of state standards
- Procurement Oversight – Assurance that grantees’ procurement systems meet Federal standards
- Management Oversight – Triennial reviews of 23 areas of statutory and management practices

For FY 2012, FTA proposes increasing the overall size of the oversight program to align the sources and uses of oversight funds through the following program changes:

- The oversight budget would increase to \$267 million from \$81 million in FY 2010.
- A 2.5 percent take-down would be applied to the *Capital Investment Grant* program.
- A 1.0 percent take-down would be applied to FTA’s other grant programs:
 - *Urbanized and Non-Urbanized Area Formula Grants*
 - *Bus and Rail State of Good Repair*
 - *Tribal Transit*
 - *Consolidated Specialized Transportation Grants*
 - *Transit in the Parks*
 - *Livability Demonstration Grant Programs*
 - *National Research and Technology*
 - *Clean Energy Research and Greenhouse Grants Demonstration Grants*
- These changes would better reflect the significant share of oversight resources devoted to the oversight program.

Why Is This Particular Program Necessary?

The *Transit Formula Grants* program is needed to provide continued Federal support to transit agencies to maintain their capital base and provide high-quality service to the traveling public. Nearly every transit agencies’ budget depends on FTA funds, in particular the reliability of FTA formula funds. DOT’s latest *Conditions and Performance Report* shows that in 2006 Federal funds represented 18.6 percent of transit agencies’ revenue but accounted for 43.5 percent of total capital expenditures, up from 39 percent in 2004.

The recent economic down-turn underscores why it is necessary for FTA to make temporary and targeted operating assistance more widely available to transit agencies. Faced with dwindling local financial support, particularly from state and local sales taxes, and weak fare box revenue, transit agencies have been forced to cut services, defer investment, and raise fares to make ends meet. Providing limited operating assistance on a temporary basis through the *Urbanized Area Formula Grants Program* would relieve some pressure for medium and large transit agencies and help them maintain important services.

The proposed *Public Transportation Emergency Relief Program* is necessary to improve the Federal government's current system for providing emergency response assistance to transit agencies. The lessons learned after Hurricane Katrina and other disasters demonstrate that FEMA and FTA's existing programs are not optimally designed to provide such aid in a timely manner (after Hurricane Katrina, FTA funded new transit connections between Baton Rouge and New Orleans because the local commuting patterns were severely disrupted by the storm).

GAO On Emergency Relief for Transit Agencies

A 2008 Government Accountability Office report summarized issues with FEMA and FTA disaster relief efforts as shown below:

- Although the Stafford Act authorizes Federal assistance to meet emergency needs and help affected communities to resume their normal pattern of life as soon as possible, neither FEMA nor FTA had mechanisms in place to provide funding to transit providers immediately after the 2005 Gulf Coast hurricanes.
- FEMA provided funding reimbursement, requiring recipients to spend money from other sources first, and FTA had no program for emergency assistance to transit. However, transit providers had little money to spend from other sources before being reimbursed.
- According to officials from the two major transit agencies affected by the 2005 Gulf Coast hurricanes, transit operations shut down after the disasters, and the agencies' revenues from fare collections and other sources were curtailed, limiting their ability to begin restoring transit services on their own.
- Furthermore, FEMA's timeliness and effectiveness in providing assistance for transit after the hurricanes were limited by the agency's lack of guidance on the types of services it could fund, and lack of criteria for the duration of the funding. Without such guidance and criteria, funding approvals took from 1 month to as long as 4 months, and officials from the two major transit agencies affected by the hurricanes contended that FEMA mission assignments ended before some emergency needs were met.
- While Hurricane Katrina was an extreme event that tested the Federal Government's disaster response and recovery capabilities, it is reasonable to expect that smaller disasters could expose similar limitations. Recent flooding in Nashville, Tennessee demonstrates that localized disasters can quickly shut down the operations of medium and small transit agencies.

How Do You Know The Program Works?

The varied transit services that Federal formula funds support in urbanized and non-urbanized areas are essential. The Nation's 1,330 transit providers take people to work, shopping, and to other essential services such as doctor's appointments and other health-related destinations. These services are vital for transit dependant populations living in urban and rural areas, including many of the more than 30 million elderly, working poor, and individuals with disabilities.

FTA is able to track how transit agencies use their Federal funds and to evaluate program performance using data from its *National Transit Database*. The *NTD* is used in conjunction with other information to report to Congress about 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 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.

The success of the new *Public Transportation Emergency Relief* program will be measured by how quickly transit agencies receiving FTA assistance are able to resume limited or full-scale operations after a natural disaster. FTA will work with industry stakeholders to develop reasonable performance measures for evaluating success. Additionally, FTA integrates performance results into its budget request to demonstrate alignment with the Department of Transportation's Strategic Plan. Exhibit III-II lists several DOT level performance measures used to demonstrate *Transit Formula Grant* program results.

Why Do We Want/Need To Fund The Program At The Requested Level?

As discussed in the section on the *Bus and Rail State of Good Repair* justification, the nation (including Federal, State, and local governments) needs to invest approximately \$78 billion simply to eliminate the back-log of transit capital assets currently in poor or marginal condition. FTA's formula programs provide a critical financial foundation through regular and predictable Federal support to transit agencies large and small. To meet the outstanding and growing capital requirements of transit agencies, FTA proposes to grow the program in size and scope. Counting the \$3 billion from the "Up Front" \$50 billion economic boost, both the *Urbanized* and *Non Urbanized Formula* programs grow by 43 percent from FY 2010 enacted levels. Combined with the major requests for the *Transit Expansion* and *Bus and Rail State of Good Repair* programs, FTA's budget boosts funding for transit capital by more than 200 percent compared to the FY 2010 enacted level.

Additionally, the \$25 million for the new *Public Transportation Emergency Relief* program is based on the approximate 10-year average annual disaster spending on public transportation based on data from the Government Accountability Office. Acknowledging the inherent difficulty of estimating future disaster funding requirements, FTA proposes giving the Secretary the option to redirect the program's end-of-year unobligated funds to FTA's formula grant programs.

RESEARCH AND TECHNOLOGY DEPLOYMENT

(Legislative proposal, not subject to PAYGO)

(LIQUIDATION OF CONTRACT AUTHORITY)

(LIMITATION ON OBLIGATIONS)

(TRANSPORTATION TRUST FUND)

Contingent upon enactment of multi-year surface transportation authorization legislation, \$80,000,000, to be derived from the Mass Transit Account of the Transportation Trust Fund and to remain available until expended, for payment of obligations incurred in carrying out Research and Technology Deployment programs authorized under title 49, United States Code, as amended by such authorization: Provided, That funds available for the implementation or execution of Research and Technology Deployment programs authorized under title 49, United States Code, shall not exceed total obligations of \$166,472,000 for fiscal year 2012: Provided further, That the obligation limitation for fiscal year 2012 shall remain available until used for the obligation of funds and shall be in addition to the amount of any limitation imposed on obligations for future years.

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

Program and Financing (in millions of dollars)

Identification code : 69-8542-4	2010 Actual	2011 Est.	2012 Est.
Obligations by program activity:			
0000			2
0001			3
0002			5
0003			5
0004			4
0005			56
0006			11
0900			86
Budgetary resources available for obligation:			
1102			80
1137			-80
1600			167
1930			167
1941			81
Change in obligated balance:			
3030			86
3040			-33
Obligated balance, end of year (net):			
			53
3100			53
Budget authority and outlays, net:			
Mandatory:			
4090			167
Outlay, gross:			
4100			33
4160			167
4170			33
4180			167
4190			33
5051			34
5053			53

RESEARCH AND TECHNOLOGY DEPLOYMENT PROGRAM

PROGRAM AND PERFORMANCE

The 2012 Budget presents FTA's proposed reauthorization program and account structure, including the creation of a new Research and Technology Deployment account. This account replaces the Research and University Centers Account and the Grants for Energy Efficiency and Greenhouse Gas Reductions account, and also includes resources clean fuels research. It is funded from the Mass Transit Account of the Transportation Trust Fund. The 2012 Budget request includes \$166 million for this account. For 2012, the account's programs include:

Greenhouse Gas and Energy Reduction Deployment and Demonstration Program.—\$75 million to complement FTA capital programs with capital grants to transit agencies to implement technologies that reduce greenhouse gas emissions, improve energy efficiency, reduce dependency on fossil fuels and increase the use of environmentally sustainable practices and materials.

Clean Fuels and Environmental Research.—\$14.7 million to build on the Clean Fuels and Environmental Research and the Research to Reduce Environmental Impacts Programs that have contributed to the deployment of low emission technologies in public transportation.

National Research Program.—\$20 million for discretionary research to increase ridership, improve operating efficiencies, understand the service needs of rural and targeted populations, improve planning and service projections, improve safety, and provide research leadership to address other major issues facing the transit industry.

Transit Cooperative Research.—\$9.7 million to provide funds to the National Science Foundation to conduct investigative research on subjects related to public transportation.

National Transit Institutes.—\$5 million to support the Institutes training programs for the transit industry on a variety of topics including planning, operations, safety, and management.

University Transportation Centers.—\$8 million to support transit research at university transportation centers through reimbursable agreements with the Research and Innovative Technology Administration (RITA).

Technical Assistance Activities.—\$34 million to provide necessary support to FTAs capacity to help grantees to administer expanded capital programs as well as research grants, contracts and cooperative agreements and to improve nationwide transit customer service through capacity building and deployment of best practices. FTA technical assistance will also support FTAs State of Good Repair and Safety programs by helping grantees better manage capital asset bases and identify opportunities for the effective implementation safety standards, technological advances and institutional policies.

The Administration proposes to move a number of current General Fund programs into the Transportation Trust Fund, as part of surface transportation reauthorization. Amounts reflected in

this schedule represent the new mandatory contract authority and outlays supporting these programs. PAYGO costs will be calculated as the change between these amounts and reclassified baseline amounts in the existing General Fund accounts.

EXHIBIT III-1
RESEARCH AND TECHNOLOGY DEPLOYMENT PROGRAM
Appropriation, Obligation Limitation, Exempt Obligations
(\$000)

	<u>FY 2010 ACTUAL 1/</u>	<u>FY 2011 CR (ANNUALIZED)</u>	<u>FY 2012 REQUEST</u>	<u>CHANGE FY 2010-2012</u>
National Research	44,370	44,370	20,000	(24,370)
Transit Cooperative Research	10,000	10,000	9,729	(271)
University Transportation Centers	7,000	7,000	8,000	1,000
Technical Assistance Activities	-	-	34,000	34,000
National Public Transportation Institutes	4,300	4,300	5,000	700
GHG and Energy Reduction Deployment Demonstration	75,000	75,000	75,000	-
Clean and Energy Efficient Public Transportation Research	-	-	14,743	14,743
TOTAL	\$140,670	\$140,670	\$166,472	\$25,802

1/ FY 2010 and FY 2011 columns reflect equivalent programs to the FY 2012 program structure.

Program and Performance Statement:

The \$166.472 million request for *Research and Technology Deployment* program funds research, greenhouse gas and energy reduction demonstrations, and technical assistance and workforce development training to further the Department's strategic goals and accomplish FTA's research and technology program mission. The *National Research* program will advance the research and development of transportation methods and technologies that support increasing transits market share, improve the performance of transit operations and systems, and provide leadership in transit research. The *Transit Cooperative Research* program supports research projects significant to the transit industry. Grants under the *University Transportation Centers* program are provided to universities for public transportation research, curriculum development, and training.

The *Technical Assistance Activities* program support transit safety and security technical assistance, economic, finance and policy technical assistance, and technical assistance on

livability, state of good repair, disadvantaged business enterprises (DBE), equal employment opportunity (EEO) requirements, and training and capacity building programs for transit agencies. The *National Public Transportation Institutes* program provides workforce training for transit industry employees in planning and service concepts, operations improvements and safety, human resources policies, and management development and effectiveness. The *Greenhouse Gas and Energy Reduction Deployment and Demonstration Grants* and *Clean and Energy Efficient Public Transportation Research* programs help reduce energy consumption and greenhouse gas emissions by public transportation systems.

EXHIBIT III-1a
RESEARCH AND TECHNOLOGY DEPLOYMENT PROGRAM
Summary Analysis of Change from FY 2011 to FY 2012
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)

Item	Change from FY 2011 to FY 2012	FY 2012 PC&B by Program	FY 2012 FTEs by Program	FY 2012 Contract Expenses	Total
FY 2011 CR ANNUALIZED		Note: Columns are Non- Add			
Research and Technology Deployment program Appropriations, Obligations, Limitations, and Exempt Obligations					\$140,670
Adjustment to Base	0				
Subtotal, Adjustments to Base					\$0
New or Expanded Programs					
National Research Program	-24,370				
Transit Cooperative Research	-271				
National Public Transportation Institutes	700				
University Transportation Centers	1,000				
Technical Assistance Activities	34,000				
Greenhouse Gas and Energy Reduction Deployment Demonstration Program	-				
Clean and Energy Efficient Public Transportation Research	14,743				
Subtotal, New or Expanded Program Increases/Decreases					\$25,802
Total FY 2012 Request					\$166,472

1/ FY 2011 numbers reflect equivalent programs to the FY 2012 program structure.

EXHIBIT III-2
ANNUAL PERFORMANCE RESULTS AND TARGETS
RESEARCH AND TECHNOLOGY DEPLOYMENT PROGRAM

The Federal Transit Administration (FTA) integrates performance results into its budget request to demonstrate alignment with the Department of Transportation’s Strategic Plan. FTA tracks the following DOT level performance measures to demonstrate program results:

DOT Goal/Outcome: Safety/Reduction in injuries and fatalities

Transit injuries per 100 million passenger-miles traveled	2007	2008	2009	2010	2011	2012
Target	34.9	34.5	34.2	33.8	33.4	33.0
Actual	32.5	33.6	33.1	32.6	NA	NA

DOT Goal/Outcome: Livable Communities/Improved public transit experience

Percentage of direct contracts awarded to small businesses	2007	2008	2009	2010	2011	2012
Target	64	35	35	35	35	35
Actual	27	53	63	48.9	NA	NA

Detailed Justification for the –Research and Technology Deployment Program –

What Do I Need To Know Before Reading This Justification?

- The FY 2012 budget proposes to split the existing research program into two separate program areas: a) research and development activities; and b) technical assistance and workforce development activities.
- Splitting the account into two program areas will better align research funds with applied research and demonstration projects. Funding for technical assistance activities and workforce development is separate from research. In prior years, technical assistance and workforce development was funded through FTA's *National Research Account*.
- FTA also proposes to fund research and technology demonstration projects related to the environment and energy usage through the new *Greenhouse Gas and Energy Reduction Deployment Demonstration* and *Clean and Energy Efficient Public Transportation Research* programs. Previously, FTA funded clean fuels and environmental research projects in the *Research and University Research Centers* account and the *Formula and Bus Grants* account.

What Is The Request And What Will We Get For The Funds?

FY 2012 – Research and Technology Deployment Program (\$000)

Program Activity	FY 2010 Actual 1/	FY 2012 Request	Change FY 2010- FY 2012
National Research Program	44,370	20,000	(24,370)
Transit Cooperative Research	10,000	9,729	(271)
University Transportation Centers	7,000	8,000	1,000
Technical Assistance Activities	-	34,000	34,000
National Public Transportation Institutes	4,300	5,000	700
Greenhouse Gas and Energy Reduction Deployment Demonstration Program	75,000	75,000	-
Clean and Energy Efficient Public Transportation Research	-	14,743	14,743
Total	140,670	166,472	25,802

1/ FY 2010 column reflects equivalent programs to the FY 2012 program structure.

For FY 2012 and beyond, FTA proposes creating a new \$166 million *Research and Technology Deployment* program that combines all of the agency's research, technology, and technical assistance activities. The program would be funded from the Transportation Trust Fund.

FTA requests \$20 million for its core *National Research Program* for conducting applied and development research on a variety of subjects including transit safety, system performance, and asset management, among others. Additionally, FTA requests \$9.729 million for the *Transit Cooperative Research Program (TCRP)* for transit related research conducted by the National Academy of Sciences and \$8 million for *University Transportation Centers (UTC)* to support transit research by selected institutions of higher education.

Further, FTA proposes separating funding for technical assistance work from research because these are distinct activities. The FY 2012 request for *Technical Assistance Activities* is \$34 million. Also, FTA requests \$5 million for the *National Public Transportation Institutes* program for workforce development.

FTA also requests \$90 million for research and technology deployment activities related to greenhouse gas (GHG) and energy reduction and to help promote environmental sustainability in the public transportation industry – a key goal in the Department’s strategic plan. Specifically, FTA requests \$75 million for the *Greenhouse Gas and Energy Reduction Deployment Demonstration* program and \$14.7 million for the *Clean and Energy Efficient Public Transportation Research* program.

What Is This Program?

The *Research and Technology Deployment Program* funds research, development, demonstrations, deployments, and evaluations of technology of national significance that will improve public transportation services. This includes research with institutions, transit agencies, and universities, as well as providing funding for activities that help reduce greenhouse gas emissions (GHGs), improve energy efficiency, and increase the use of environmentally sustainable practices and materials in the public transportation sector.

National Research Program - \$20 Million

The *National Research Program* (NRP) funds research, development, demonstrations, deployments, and evaluations of technology of national significance that will improve public transportation services.

Highlights for FY 2010 include:

- A Multimodal Trip Planning tool in Chicago that provides travel cost comparisons, and information on weather, emissions, comparative travel times, and accessibility information for the transportation network in the region. It offers side by side comparisons of trip itineraries for all modes, including biking and walking.
- Rail transit safety research including recommendations on improved and reconfigured railcar interior design to minimize injuries and a design for an “active bumper” for light rail vehicles that could minimize injuries and damage to other vehicles during collisions.
- Ride Solution in Palatka County Florida will initiate in-service testing of a small fleet of small rural transit vehicles that it has refined and manufactured. The Brevi Bus is a small low-floor bus built with design features more commonly found on large heavy-duty buses, and designed to withstand the rigorous conditions of unimproved rural roads

For FY 2012, FTA is requesting \$20 million for the NRP to address strategies identified in DOT’s new strategic plan. Below are descriptions of planned research activities organized by the new DOT strategic goals.

Safety

Improving safety throughout the transportation sector is DOT's highest priority, and FTA's efforts are focused on reducing transit-related fatalities and injuries. Research efforts identified by the Strategic Plan include, "partnerships with industry associations to develop recommended practices and voluntary industry safety standards," and "development of materials and technology to reduce transit fatalities and the number and severity of transit-related injuries."

Safety Innovation Research -- \$2 million

In FY 2012, FTA plans to fund research related to innovative and improved approaches and technologies to improve transit safety. FTA will also conduct research into the human factors in safety incidents. The objective of this research is to look at different aspects of the human/vehicle interface that might contribute to accidents. It will also undertake the peer-reviewed research necessary for the industry to make meaningful decisions on what the standards should entail. This includes the assessment of best practices as well as evaluations of vehicles and other equipment, infrastructure, and other technologies.

State of Good Repair

Research in support of the State of Good Repair DOT Strategic Goal will focus on increasing the proportion of U.S. transit infrastructure in good condition.

Asset Management and Maintenance Research - \$2 million

As outlined in the DOT Strategic Plan, FTA will, "deliver research ... on capital asset management and develop methods, tools, and guidance to improve asset management systems." Activities would address improvements to asset management practices; the use of real-time transit vehicle diagnostic and maintenance management systems in order to increase service reliability; and, processes and techniques involving the latest management software and information systems that improve the reliability of transit services.

Economic Competitiveness

FTA undertakes research in support of DOT's Economic Competitiveness Strategic Goal to ensure maximum economic returns on transportation policies and investments and that U.S. transportation interests are advanced throughout the world. Efforts focus on improving capital and operating efficiencies of transit systems and the activities of the International Public Transportation Program. In support of the DOT strategy to, "encourage adoption of operational policies to improve the efficiency of existing capacity..." FTA research addresses operational efficiencies in bus, light rail, heavy rail, and demand response operations. FTA will also conduct research to control the capital costs of both infrastructure and vehicles to help ensure that capital projects are completed on time and within budget, and that increasing ridership can be accommodated.

Industry Analysis Research - \$500 thousand

FY 2012 research will examine the state of the transit industry, including development of the DOT Conditions and Performance report as well as other studies related to the state of operational, financial, or capital issues within the transit industry.

Bus Programs Research - \$2 million

Activity areas include continued improvements to elements of bus rapid transit operations as well as vehicle improvements such as ways to reduce the weight of buses through use of composites, applications and designs to reduce noise levels, both inside and outside the bus, and improvements to ride quality through the application of technologies such as adaptive suspension.

Bus Testing Program - \$2 million

Results obtained through the bus testing program will provide data for analyzing new bus model performance.

Rail Programs and Infrastructure Research - \$2 million

FTA plans to improve rail operations by exploring innovative concepts, new technologies, and best practices to increase efficiency as well as to increase the capacity of rail systems on existing lines. Areas of research will include different aspects of human/vehicle interaction, signal and control systems, and rail infrastructure construction practices.

Transit Standards Development - \$1 million

This program area will improve the design, performance, safety, and reliability of transit systems through the development of voluntary, consensus domestic and international standards for bus and rail operations. Industry standards improve the performance of transit systems and reduce the risk for the supply industry. These efforts support the DOT strategy to, “advance U.S. transportation policy and advocate worldwide adoption of harmonized standards and global technical regulations (GTR) through participation in bilateral and regional forums or international organizations at the ministerial and working levels.”

Small Business Innovative Research - \$1 million

The SBIR program focuses on expanding opportunities for small businesses to undertake public transportation research in support of FTA’s strategic research priorities. FTA is required by law to set-aside 2.5% of all extramural research and development for the SBIR program.

International Public Transportation Program (IPTP) - \$500 thousand

FTA’s IPTP supports the DOT strategies to “provide technical assistance, implement technology exchange, encourage collaboration and capacity building, and identify opportunities to share

resources among key international partners” and to “advance U.S. foreign policy objectives by participating in the global trade agenda and by establishing transportation reconstruction and stabilization initiatives and cooperative relationships with emerging economies.” Research efforts focus on identifying best practices found abroad and applying them to U.S. transit systems.

Livable Communities

FTA will undertake research in support of the DOT Livable Communities Strategic Goal to increase access to convenient and affordable transportation choices; improve the public transit experience; improve networks that accommodate pedestrians and bicycles; and, to improve access to transportation for special needs populations and individuals with disabilities.

Transit Planning and Forecasting Research – \$1 million

FTA’s research related to planning will support the DOT strategies to “modify the transportation planning framework to promote projects where transportation investments are integrated with local land use, housing and other development decision making.”

Research to Improve the Rider Experience -- \$1.5 million

FTA’s research related to improving the rider experience supports the DOT strategies to “improve the quality of service, and improve travel time reliability including greater deployment of advanced technologies... “and “continue ITS research in the provision of real-time multi-modal travel information for travelers and program managers.”

Transit Connectivity Research – \$1.5 million

Research in this area supports the DOT strategies to “improve efficiency of public transportation access and connectivity to intercity (and high-speed) rail, airports, roadways, and walkways to reduce and make reliable passenger travel times and increase the benefits of transportation investments,” and “to modify DOT programs to better support the planning and building of interconnected walking and bicycling networks as well as the connections of those networks to local transit systems.” This research is focused on first-mile last-mile research connections to transit, such as access to transit systems by bicycles or pedestrians, access to bicycles on transit systems; innovative operational approaches for services to transit stations; and, connections between transit and other modes.

Rural and Targeted Populations Research – \$2 million

FTA will continue research in support of the DOT strategy to “ensure that where practical, more rural areas are provided reliable means of quality public transportation services to connect them to activity, service, employment, and transportation centers now accessible only by automobile” and “conduct ITS research to develop transportation management center capabilities for automated scheduling, mapping, routing, and dispatching to link human services transportation providers for easier access, more efficient, and cost beneficial services.” Rural and targeted

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

Environmental Sustainability

FTA research efforts in support of the DOT Environmental Sustainability Strategic Goal are funded within the *Greenhouse Gas and Energy Reduction* program.

Organizational Excellence

Provide Transit Research Leadership - \$2 million

The results of transit research are often in the form of information with little integration, synthesis, or context for how they might be applied to decision making. Over the next few years, FTA will categorically identify relevant research areas and collate and synthesize research results from these areas into bodies of knowledge that the transit industry can use in decision making. FTA will also use these syntheses to identify relevant new research critical to transit. This effort also funds FTA's research advisory committee, the Transit Research Analysis Committee at the National Academy of Sciences as well FTA's support to the Transportation Research Board.

University Transportation Centers - \$8 Million

FTA requests \$8 million for grants to University Transportation Centers. The funds will be distributed through a competitive process and focus on transit-related research. These funds will also further the Research and Innovative Technology Administration's (RITA) ability to award grants to universities for transportation, research, curriculum development, and training, education, and technology transfer activities aimed at addressing regional and national transportation problems.

Transit Cooperative Research Program - \$9.7 Million

FTA requests \$9.7 million for the Transit Cooperative Research Program (TCRP). This program funds shorter-term research projects to address the immediate operational issues facing the transit industry. TCRP projects are selected by an independent advisory board in cooperation with FTA and the National Academy of Sciences.

National Research and Transit Cooperative Research Program FY 2010 Base Accomplishments:

A Multimodal Trip Planning tool in Chicago that provides travel cost comparisons, and information on weather, emissions, comparative travel times, and accessibility information for the transportation network in the region. It offers side by side comparisons of trip itineraries for all modes, including biking and walking.

Rail transit safety research including recommendations on improved and reconfigured railcar interior design to minimize injuries and a design for an “active bumper” for light rail vehicles that could minimize injuries and damage to other vehicles during collisions.

Ride Solution in Palatka County Florida will initiate in-service testing of a small fleet of small rural transit vehicles that it has refined and manufactured. The Brevi Bus is a small low-floor bus built with design features more commonly found on large heavy-duty buses, and designed to withstand the rigorous conditions of unimproved rural roads.

Technical Assistance - \$34 Million

FTA requests \$34 million for *Technical Assistance Activities*, which includes technical assistance for targeted populations, safety and security technical assistance, economic, finance and policy technical assistance, technical assistance on livability, state of good repair, disadvantaged business enterprises, and equal opportunity, and training and capacity building programs. Combining all technical assistance activities in one focused program area will address the needs of transit providers nationwide. Training and capacity building programs will ensure a workforce with the sufficient skill-set available to fill the transit jobs of the future. FTA expects to undertake work in the following areas:

- Targeted populations technical assistance and training
 - Job Access and Reverse Commute program technical support
 - Disability community technical support
 - Technical support for disadvantaged businesses
 - Mobility management support
- Safety and security technical assistance and training
 - Safety and security program guidance
 - Drug and alcohol testing
 - Safety and security training
- Economic, finance and policy technical assistance
- Training and capacity building

National Public Transportation Institutes - \$5 Million

FTA is requesting \$5 million for the *National Public Transportation Institutes (NPTI)* to provide workforce training in planning and service concepts, operations improvements and safety, human resources policies, and management development and effectiveness. NPTI 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, the NPTI and FTA are working together to develop and integrate workshops and seminars designed to assist the transit industry in understanding and implementing advanced public transportation systems.

Greenhouse Gas and Energy Reduction Deployment Demonstration and Clean and Energy Efficient Public Transportation Research programs

These programs support the DOT Environmental Sustainability strategic goal to reduce greenhouse gas emissions (GHGs), improve energy efficiency, and reduce dependence on fossil fuels and increase the use of environmentally sustainable practices and materials in the transportation sector. These programs directly address the DOT Strategic Plan objective to, “promote the development and deployment of technologies to reduce the energy consumption and greenhouse gas emissions of transit systems including bus and rail electric drive; facility improvements; alternative fuel technologies for buses; deployment of alternative fuel buses, including hydrogen fuel cell buses and diesel-electric hybrid buses and support alternative fuels infrastructure investment for transit and bus rapid transit systems across the U.S.”

Beneficiaries of these programs include public transportation agencies and the general public by saving fuel costs and reducing the nation’s dependence on fossil fuels. Partners in the program, such as manufacturers and suppliers of transit vehicles, equipment and infrastructure, and public transportation agencies will help foster innovation to help shape the clean transit industry of tomorrow.

Greenhouse Gas and Energy Reduction Deployment and Demonstration - \$75 Million

FY 2012, FTA is requesting \$75 million to support its *Greenhouse Gas and Energy Reduction Deployment and Demonstration* program. Public transportation agencies can be reluctant to use limited capital funds to introduce new, low-GHG emission technologies because they are considered high-risk or expensive compared to conventional technologies. Those agencies that do test new technologies do not fund independent evaluations or capture data that can be widely shared. FTA’s *Greenhouse Gas and Energy Reduction Deployment and Demonstration Program* will encourage public transportation agencies to test and deploy innovative technologies that reduce GHG emissions.

Further, large-scale demonstrations and operations are the last step in the innovation process before the technologies reach full commercialization. By supporting these efforts, FTA can encourage integrated systems, standards and best practices that can be applied nationwide.

This program includes two subprograms: *Transit Test Beds* and *Greenhouse Gas and Energy Reduction Deployment and Demonstration*.

Transit Test Beds - \$10 million

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

Transit test beds will use funds to adapt, test and evaluate new technologies in test tracks and in transit operations and to overcome problems with new technology implementation.

Working closely with FTA, the designated transit test bed would form a coalition with regional transit agencies or transit agencies of similar size or scope to adapt new technologies. Development, demonstration and evaluations will take place at the transit test bed and the consortium agencies.

Examples of types of projects that would be eligible include:

- Introduction of advanced vehicles or propulsion systems into transit: hybrid-electric buses, bus refurbishment, battery-powered buses, buses constructed from composite materials, plug-in hybrids, CNG and hydrogen fueling stations, and fuel cells.
- Facility projects for stations, bus facilities, and shelters include: solar and wind power generation; cooling and heating system improvements; lighting upgrades; geothermal heating, station remodeling, LEED certification; new furnaces; and, new roofs, insulation, windows, and doors.
- New information systems used to optimize energy-efficiency or emissions.

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

Greenhouse Gas and Energy Reduction Deployment and Demonstration - \$65 million

This large-scale deployment program will demonstrate how transit agencies can minimize their energy use and carbon footprint of transit operations and construction by providing grants for low-emission vehicles, green buildings, and other projects.

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

Demonstrations would also continue from FTA's *Clean Fuels* and *Electric Drive* research as FTA and the transit industry identify new technologies and innovations.

Examples of types of projects that would be eligible include:

- Bus projects: hybrid-electric buses, bus refurbishment, battery-powered buses, buses constructed from composite materials, plug-in hybrids, CNG and hydrogen fueling stations, and fuel cells.
- Bus fleet demonstrations.

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

Anticipated FY 2011 Accomplishments of Greenhouse Gas and Energy Reduction Deployment and Demonstration Program

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

Clean and Energy Efficient Public Transportation Research - \$14.7 Million

For FY 2012, FTA is requesting \$14.73 million to support its *Clean and Energy Efficient Public Transportation Research Program*. This research will build on programs previously funded in the *Research and University Research Centers* account and focus public transportation agency efforts on reducing GHG emissions through clean energy sources and energy efficiency. FTA research on alternative fuels and high-fuel efficiency vehicles has yielded the introduction of low-emission technologies such as hybrid-electric buses, compressed natural gas vehicles, and vehicles that run on biodiesel. It includes two subprograms: *Clean Fuels and Electric Drive Research* and *Research to Reduce Environmental Impacts*.

Clean Fuel and Electric Drive Research

This work offers a pathway to reducing the energy consumption of transit operations and significantly reducing vehicle emissions. Transit offers an ideal platform for the

validation and early adoption of advanced vehicle technologies. The advantages of large centrally fueled and professionally maintained heavy-duty vehicle fleets mitigate many of the issues involved in introducing new transportation technologies. The rapid deployment of natural gas and hybrid-electric buses demonstrate how transit can play an important role in implementing new infrastructure and validating new technologies.

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

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



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

Technical focus areas are:

- Vehicle Energy Management (on-board): energy storage, regenerative braking, fuel cells
- Electrification of Accessories: air conditioning, air compressor, alternator
- Bus Design: lightweight materials, component packaging, maintainability
- Rail Transit Energy Management: wayside storage, load-leveling
- Locomotive Design: alternative locomotive energy systems including hybrids, fuel cells
- Alternative Fuels: continued advancement in the use of alternative fuels such as compressed natural gas

Research to Reduce Environmental Impacts

FTA plans to conduct policy-oriented research on specific policies and implementation strategies that can best reduce energy use and GHG emissions. For instance, combining public transportation investments with land use policy and parking pricing have shown to increase the effectiveness of each strategy in reducing GHG emissions. A study co-sponsored by FTA called *Moving Cooler*, quantified this effect. FTA intends to provide additional policy research and technical assistance tools to the transit industry to maximize the GHG emissions reduction potential of public transportation. Studies by governmental agencies, researchers, and advocacy groups on the issue of climate change and transportation provide some direction to policymakers in their quest to integrate greenhouse gas emissions reduction strategies into plans and projects. Strategies include technological innovations in vehicles and fuels, reducing the growth in vehicle miles traveled, and operational strategies, among others.

In addition, FTA and other DOT modal administrations are working with organizations like the NASA Goddard Institute for Space Studies to better quantify the climate change impacts that may be attributed to transportation emissions. This effort can help develop a better understanding of the levels of transportation-related energy and GHG emissions reductions and will result in the most favorable mitigation of climate change impacts.

Why Is This Particular Program Necessary?

FTA is the only entity that funds, undertakes and manages public transportation research from a national perspective. The *National Research* program supports research not generally undertaken by the private sector including studies on transit policy issues, operational efficiency, and travel behavior. The program also funds long-term, high-risk, high-potential payoff investigations of new technologies

The *Transit Cooperative Research Program* (TCRP) funds shorter-term research projects designed to identify immediate improvements in transit safety and security, equipment and system design, system operations, and the economic development impact of transit investments in transportation corridors.

It is necessary to separate research and technical assistance programs to clearly account for FTA's varying activities including R&D and technical assistance. To differentiate FTA's many technical assistance activities into its own subprogram, *Technical Assistance* activities will have their own funding source. Furthermore, the activities funded within the *Technical Assistance activities* program are necessary to provide adequate support to FTA's customers and stakeholders. FTA's technical assistance efforts will help FTA grantees administer grants, contracts, cooperative agreements (both pre- and post-award assistance), and improve FTA's customers' ability to meet their missions through capacity building and best practices.

The transportation sector has a large role to play in reducing GHGs emissions and energy use. In addition to accounting for approximately 28 percent of all U.S. GHGs, the particular GHGs and aerosols the transportation sector emits can potentially cause more warming than other economic sectors due to the profile of its non-carbon dioxide emissions. The *Greenhouse Gas and Energy Reduction* and *Clean and Energy Efficient Public Transportation Research* programs explore ways to encourage the traveling public to make greater use of energy-efficient public transportation as well as facilitate the transit industry itself to adopt energy-saving and GHG-emission reducing technologies.

How Do You Know The Program Works?

FTA has established an advisory committee -- the Transit Research Analysis Committee (TRACs) -- at the National Academy of Sciences to help ensure that FTA's research programs meets the needs of the transit industry. Evidence of the program's success can be determined by the improvements produced that are ultimately adopted by transit agencies. Examples of past research now in widespread use include the spectrum of bus rapid transit practices and technologies, improvements in bus technologies such as the use of composite materials; improvements to bus fuel efficiency, such as hybrid-electric buses; improvements to the rider experience such as smart cards for fare collection and improved traveler information systems; improvements to paratransit services such as one-stop call centers for human services transportation; and, improvements to operations such as automatic vehicle location devices. These improvements are then tied to FTA's larger success measures for safety improvements and increased ridership.

To support the Administration's goal of increasing government accountability and openness, FTA plans to more closely scrutinize its programs and activities. To do so, FTA is proposing to increase its program evaluation efforts, which are currently conducted by third parties under contract to FTA. For FY 2012, the program evaluation budget would grow from less than \$500,000 to \$2 million within the *Technical Assistance* program. FTA plans to develop an expanded evaluation agenda that will target programs and activities across the agency, including activities within this account.

Additionally, The Federal Transit Administration integrates performance results into its budget request to demonstrate alignment with the Department of Transportation's Strategic Plan.

Exhibit III-II lists several DOT level performance measures used to demonstrate *Technical Assistance* results.

Why Do We Want/Need To Fund The Program At The Requested Level?

The FY 2012 *Research and Technology Deployment* request supports FTA's multi-year research agenda which addresses the transit industry's highest priorities. In particular, the request includes additional funds for safety research to assist FTA in its expanded safety oversight role and to assist the industry in developing voluntary industry safety standards as well as research related to improving livability by improving transit connectivity with local communities and other forms of transportation.

SAFETEA-LU authorized \$19 million a year in clean fuel and environmental research, which has yielded the introduction of low-emission technologies. Additionally, the *Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) Program* funded in the 2009 *American Reinvestment and Recovery Act (ARRA)* demonstrated the pent-up demand for these types of technologies. While \$100 million was available for TIGGER, FTA received applications totaling over \$2 billion for 561 projects.

The request for the *Greenhouse Gas and Energy Reduction Deployment Demonstration* and *Clean and Energy Efficient Public Transportation Research* programs will build upon this past success as well as provide new opportunities for research and demonstration to help the industry advance towards a clean public transportation sector. Without the requested funds, the only national source of funds for these critical activities would be absent.

The FY 2012 request to grow core *Technical Assistance Activities* reflects the size and scope of its grant programs and other public transportation activities.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

For grants to the Washington Metropolitan Area Transit Authority as authorized under section 601 of division B of Public Law 110–432, [\$150,000,000,] *\$150,000,000*, to remain available until expended: *Provided*, That the Secretary shall approve grants for capital and preventive maintenance expenditures for the Washington Metropolitan Area Transit Authority only after receiving and reviewing a request for each specific project: *Provided further*, That prior to approving such grants, the Secretary shall determine that the Washington Metropolitan Area Transit Authority has placed the highest priority on those investments that will improve the safety of the system.

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

Program and Financing (in millions of dollars)

Identification code : 69-1128-0	2010 Actual	2011 Est.	2012 Est.
Obligations by program activity:			
0100	...	301	150
0900	...	301	150
Budgetary resources available for obligation:			
1000	1	151	...
Budget authority			
1100	150	150	150
1930	151	301	150
1941	151	...	...
Change in obligated balances:			
3000	...	...	135
3030	...	301	150
3040	...	-166	-210
3090	...	...	...
3100	...	135	75
Outlays (gross), detail			
4010	...	15	75
4011	...	151	135
4020	...	166	210
Budget authority, net (discretionary)			
4070	150	150	150
4080	...	166	210
4180	150	150	150
4190	...	166	210

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

PROGRAM AND PERFORMANCE

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

EXHIBIT III-1

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

	<u>FY 2010</u> <u>ACTUAL</u>	<u>FY 2011 CR</u> <u>(ANNUALIZED)</u>	<u>FY 2012</u> <u>REQUEST</u>	<u>CHANGE</u> <u>FY 2010-2012</u>
WMATA	150,000	150,000	150,000	0
TOTAL	150,000	150,000	150,000	0

Program and Performance Statement

This program provides grants to the *Washington Metropolitan Area Transit Authority (WMATA)* for capital investment and rehabilitation activities. The \$150 million request will help *WMATA* bring its existing system into a "state of good repair," improve the safety and reliability of service, and expand system capacity to meet growing demand. The Secretary will use his authority to approve grants under this program to ensure that available funds first address *WMATA*'s most critical safety needs.

EXHIBIT III-1a

**WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
Summary Analysis of Change from FY 2011 to FY 2012
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)**

<i>Item</i>	Change From FY 2011 to FY 2012	FY 2012 PC&B By Program	FY 2012 FTEs By Program	FY 2012 Contract Expenses	<i>Total</i>
FY 2011 CR Annualized		Note: Columns are Non-Add			
WMATA - Appropriation, Obligation Limitation, and Exempt Obligations					150,000
Adjustments to Base	0				
Subtotal, Adjustments to Base					0
New or Expanded Programs	0				
Subtotal, New or Expanded Program Increases/Decreases					0
Total FY 2012 Request					150,000

EXHIBIT III-2
ANNUAL PERFORMANCE RESULTS AND TARGETS
GRANTS TO THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

The FTA integrates performance results into its budget request to demonstrate alignment with the Department of Transportation’s Strategic Plan. The FTA resources are also provided to fund FTA’s priority of maintaining transit assets in a “State of Good Repair”.

DOT Goal/Outcome: State of Good Repair/Increased proportion of U.S. transportation infrastructure in good condition.

Average condition of rail vehicle fleet (on a scale of 1 (poor) to 5 (excellent)).	2007	2008	2009	2010	2011	2012
Target	3.55	3.55	3.55	3.55	3.55	3.55
Actual	3.55	3.47	3.53	NA	NA	NA

DOT Goal/Outcome: State of Good Repair/Increased proportion of U.S. transportation infrastructure in good condition.

Average Condition of motor bus fleet (on a scale of 1 (poor) to (excellent)).	2007	2008	2009	2010	2011	2012
Target	3.24	3.24	3.24	3.24	3.24	3.24
Actual	3.21	3.18	3.17	NA	NA	NA

Detailed Justification for *Grants to The Washington Metropolitan Area Transit Authority*

What Do I Need To Know Before Reading This Justification?

- Title VI of the *Federal Rail Safety Enhancement Act of 2008* authorizes \$1.5 billion over a 10-year period for WMATA capital maintenance projects.
- The law makes Federal funding contingent on local jurisdictions providing an equal funding match.
- FY 2012 would be the third year of Federal funding.

What Is The Request And What Will We Get For The Funds?

FY 2012 Grants To The Washington Metropolitan Area Transit Authority Budget Request (\$000)

Program Activity	FY 2010 Actual	FY 2012 Request	Change FY 2010- FY 2012
Grants to the Washington Metropolitan Area Transit Authority	150,000	150,000	-
Total	150,000	150,000	-

FTA requests \$150 million for FY 2012 for capital grant funding for *WMATA*. The request follows the *Federal Rail Safety Enhancement Act of 2008*, which authorized \$150 million annually for ten years for capital and preventative maintenance projects. The law holds that local jurisdictions provide an equal financial contribution to support *WMATA*.

What Is This Program?

This is a Federally administered capital grant program specifically established to support *WMATA*. Its purpose is to provide *WMATA* the means to make adequate investment in its capital plan.

The beneficiaries of the program are the employees and riders of the *WMATA* system, including commuters and visitors to the Nation's capital who depend on reliable and safe service. *WMATA* is critical to the mobility of the Washington area, just as the Metropolitan Transit Authority is to New York City and BART is to San Francisco. According to the Metropolitan Washington Council of Governments, *WMATA*'s most recent data shows that 47 percent of all peak period riders are Federal employees.

As in previous years, in FY 2012 FTA will develop a grant agreement with *WMATA* detailing how and where capital funds will be used. For FY 2010, Congress directed that FTA prioritize funding to first address the immediate safety shortfalls identify by the National Transportation Safety Board (NTSB), which were issued in response to *WMATA*'s July 2009 deadly rail crash. Safety will continue to be a top priority of FTA as it develops its grant agreements with FTA in FY 2011 and in FY 2012.

FY 2010 Base

Following the authorization of funds, Congress appropriated \$150 million to FTA for the first time in FY 2010. Over that year, FTA negotiated the terms of grant with *WMATA*, and in early January 2011, FTA obligated the full \$150 million.

These funds will be used to replace WMATA's "1000-Series" rail cars, which were cited by the National Transportation Safety Board (NTSB) as a contributing factor to the severity of passenger injuries and the number of fatalities in the June 2009 Red Line crash near Fort Totten Station. Maryland, Virginia and the District of Columbia will also provide \$150 million in matching local funds to help pay for the improvements. Of the combined \$300 million grant, \$79.3 million is to purchase as many as 300 new 7000-Series rail cars, \$44.4 million is for track rehabilitation, and the remainder will fund other infrastructure projects within the system, such as Metrorail station improvements, the rehabilitation of track maintenance equipment, the replacement of track switching equipment, and elevator and escalator repairs.

Why Is This Particular Program Necessary?

WMATA is now a mature transit system with an aging capital base that it cannot easily afford to maintain. Unlike some other major rail systems, WMATA lacks a dedicated local funding source. This special Federal appropriation leverages local matching funds that WMATA needs to support proper levels of capital investment. Without adequate investment, system reliability can deteriorate and ultimately affect system reliability and performance.

How Do You Know The Program Works?

The program will be evaluated by whether over the next decade WMATA maintains its assets in a state of good repair. FTA is currently working with WMATA to determine appropriate benchmarks for assessing adequate maintenance of capital.

Additionally, The Federal Transit Administration integrates performance results into its budget request to demonstrate alignment with the Department of Transportation's Strategic Plan. Exhibit III-II lists several DOT level performance measures used to demonstrate Transit Formula Grant program results.

Why Do We Want/Need To Fund The Program At The Requested Level?

The \$150 million request represents the Federal government's annual funding commitment, which leverages local funds from DC, Maryland, and Virginia. Those jurisdictions have signed onto the terms of the *Federal Rail Safety Enhancement Act of 2008*, which requires that each Federal grant cover no more than 50 percent of the net project costs, and that the other 50 percent be provided in cash from sources other than Federal funds or revenues from the operation of public mass transportation systems. Each jurisdiction has committed to providing an additional \$50 million in matching funds annually.

OPERATIONS AND SAFETY

(Legislative proposal, not subject to PAYGO)

(LIQUIDATION OF CONTRACT AUTHORITY)

(LIMITATION ON OBLIGATIONS)

(TRANSPORTATION TRUST FUND)

Contingent upon enactment of multi-year surface transportation authorization legislation, \$166,294,000, to be derived from the Mass Transit Account of the Transportation Trust Fund and to remain available until expended, for payment of obligations incurred in carrying out Operations and Safety programs authorized under title 49, United States Code, as amended by such authorization: Provided, That funds available for the implementation or execution of administrative programs authorized under title 49, United States Code, shall not exceed total obligations of \$129,700,000 in fiscal year 2012: Provided further, That funds available for the implementation or execution of Rail Transit Safety programs authorized under title 49, United States Code, shall not exceed total obligations of \$36,594,000 in fiscal year 2012 and shall remain available until used for the obligation of funds and shall be in addition to the amount of any limitation imposed on obligations for future years.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
OPERATIONS AND SAFETY EXPENSES**

Program and Financing (in millions of dollars)

Identification code : 69-8540-4	2010 Actual 1/	2011 Est. 1/	2012 Est. 2/
Obligations by program activity:			
0001	Administration expenses .....	...	130
0002	Rail Safety Oversight Program.....	...	33
0900	Total new obligations.....	...	163
Budgetary resources available for obligation:			
1102	Appropriation (trust fund).....	...	0
1137	Appropriation applied to liquidate contract authority..	...	-166
1600	Contract authority.....	...	166
1640	Contract authority mandatory.....	...	166
1900	Budget authority (total).....	...	166
1941	Unexpired unobligated balance,end of year.....	...	3
Change in obligated balances:			
3030	Total new obligations.....	...	163
3040	Total outlays (gross).....	...	-149
	federal sources (expired).....	.....	.....
3100	Obligated balance, end of year	...	14
Outlays (gross), detail:			
4090	Budget authority, gross	...	166
4100	Outlays from new mandatory authority	...	149
4160	Total outlays (gross).....	...	166
4170	Outlays, net (mandatory).....	...	149
Net budget authority and outlays:			
4180	Budget authority.....	...	166
4190	Outlays.....	...	149

1/ Funding source is annually appropriated general funds (Treasury code 69-1120-0-1-401)

2/ Funding source changed from Discretionary (appropriated) to Mandatory (trust fund)

OPERATION AND SAFETY

PROGRAM AND PERFORMANCE

The 2012 Budget presents FTAs proposed reauthorization program and account structure, including the creation of a new Operations and Safety account. Replacing the existing Administrative Expenses account, this new account is funded from the Mass Transit Account of the Transportation Trust Fund and includes resources for FTA's operating requirements totaling \$130 million to fund the salaries, benefits and administrative overhead for the staffing level necessary to support the agency's stewardship of Federal funds, technical assistance to grantees during project development and program implementation, capital project oversight, and grantee compliance.

Included in this amount is \$8.6 million is for a new Transit Safety Office in support of the Administration's rail transit safety oversight proposal. For a new Rail Transit Safety Oversight Program, \$36.6 million is requested to enable states to enforce new regulations and meet federal rail transit safety standards, as proposed in the Administrations safety legislation. These resources would fund teams of federally employed, and/or FTA-funded State employed, rail safety inspectors to conduct investigations and audits targeted to identify unsafe vehicles, equipment, control systems, and operating practices.

The Administration proposes to move a number of current General Fund programs into the Transportation Trust Fund, as part of surface transportation reauthorization. Amounts reflected in this schedule represent the new mandatory contract authority and outlays supporting these programs. PAYGO costs will be calculated as the change between these amounts and reclassified baseline amounts in the existing General Fund accounts.

EXHIBIT III-1
OPERATIONS AND SAFETY
Summary by Program Activity
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

	<u>FY 2010</u> <u>ACTUAL</u>	<u>FY 2011</u> <u>C.R.</u> <u>(ANNUALIZED)</u>	<u>FY 2012</u> <u>REQUEST</u>	<u>CHANGE</u> <u>FY 2011-2012</u>
Core Operations	98,911	98,911	121,083	22,172
Office of Safety	-	-	8,617	8,617
Rail Transit Safety Oversight	-	-	36,594	36,594
TOTAL	98,911	98,911	166,294	67,383
FTEs				
Core Operations	529	529	569	40
Office of Safety	0	0	45	45
Rail Transit Safety Oversight	0	0	25	25
Direct FTEs	529	529	639	110

Program and Performance Statement

For FY 2012, \$166.3 million is requested for the *Operations and Safety* program. The account funds FTA's personnel and support costs. FTA seeks additional funds for its core administrative functions to support the increased workload from the agency's expanded program size, which is proposed to roughly double.

FTA also requests resources to carry out the programs proposed in its rail transit safety legislation that was previously sent to Congress in December 2009. The budget supports a new \$9 million *Office of Safety* that will provide policy guidance and management of FTA's safety oversight field work. The *Rail Transit Safety Oversight* request of \$37 million will fund an estimated 25 rail transit safety inspectors and grants to States to carry out new rail transit safety requirements. These funds will allow State rail transit safety oversight functions to be strengthened to implement the new authority. In addition, Federal and State teams will be able to conduct investigations and audits identifying unsafe vehicles, equipment, control systems, and operating practices.

EXHIBIT III-1a
OPERATIONS AND SAFETY
SUMMARY ANALYSIS OF CHANGE FROM FY 2011 TO FY 2012
Appropriations, Obligations, Limitations, and Exempt Obligations
(\$000)

Item	Change from FY 2011 to FY 2012	FY 2012 PC&B by Program	FY 2012 FTEs by Program	FY 2012 Contract Expenses	Total
FY 2011 C.R. Annualized		Note Columns are Non-Add			
Operations and Safety - Appropriations, Obligations, Limitations, and Exempt Obligations					98,911
Adjustments to Base					
Subtotal, Adjustments to Base					0
New or Expanded Programs					
Personnel Comp. & Benefits	8,432				
Travel & Transp. of Things	712				
Space Rental	992				
Comm. & Utilities	28				
Printing	53				
Other Services	4,025				
Working Capital Fund	2,436				
Supplies	25				
Equipment	44				
IT Investments	5,425				
Safety Office (+45 FTE and associated expenses)	8,617				
Rail Transit Safety Program	36,594				
Subtotal, New or Expanded Program Increases/Decreases	67,383				67,383
Total FY 2012 Request					166,294

**EXHIBIT III-2
ANNUAL PERFORMANCE RESULTS AND TARGETS
OPERATIONS AND SAFETY**

The Federal Transit Administration (FTA) integrates performance results into its budget request to demonstrate alignment with the Department of Transportation's Strategic Plan. FTA tracks the following DOT level performance measures to demonstrate program results:

DOT Goal/Outcome: Organizational Excellence/A diverse and collaborative workforce that will enable the Department to advance a transportation system that serves the Nation's long-term social, economic, security and environmental needs.

Average number of days to complete grant processing after submission of a completed application.	2007	2008	2009	2010	2011	2012
Target	36	36	36	36	36	36
Actual	28	29	31	40	NA	NA

Percentage of major FTA federally funded transportation infrastructure projects with less than 2 percent annual growth for project completion milestones.	2007	2008	2009	2010	2011	2012
Target	90	90	90	90	90	90
Actual	NA	60	71.4	100	NA	NA

Percentage of finance plan cost estimates for major FTA federally funded transportation infrastructure projects with less than 2 percent annual growth in project completion cost.	2007	2008	2009	2010	2011	2012
Target	90	90	90	90	90	90
Actual	NA	100	71.4	90	NA	NA

DOT Goal/Outcome: Safety/Reduction in injuries and fatalities.

Transit fatalities per 100 million passenger- miles traveled	2007	2008	2009	2010	2011	2012
Target	.47	.47	.46	.46	.46	.46
Actual	.44	.33	.31	.25	NA	NA

Transit injuries per 100 million passenger- miles traveled	2007	2008	2009	2010	2011	2012
Target	34.9	34.5	34.2	33.8	33.4	33.0
Actual	32.5	33.6	33.1	32.6	NA	NA

Detailed Justification for the Operations and Safety

What Do I Need To Know Before Reading This Justification?

- For FY 2012, FTA proposes to create a new *Operations and Safety Program* that combines core administrative activities and new safety functions proposed by the Administration.
- Nearly all of FTA's administrative functions (salaries, benefits, travel, rent, communications, printing, contracts, supplies, equipment and other costs) will be funded in this account.
- Current law prohibits FTA prohibited from regulating the safety practices of local transit agencies.
- The Administration submitted legislation to Congress in December 2009 that would authorize FTA to establish and enforce rail transit safety standards. Congress has yet to act on this proposed legislation.
- The safety legislation is included in the DOT reauthorization legislation to be transmitted to Congress.

What Is The Request And What Will We Get For The Funds?

OPERATION AND SAFETY PROGRAM EXPENSES Summary by Program Activity Appropriation, Obligation Limitation, and Exempt Obligations (\$000)

	FY 2010 Actual 1/	FY 2012 Request	Change FY 2010 – FY 2012
Core Operations	98,911	121,083	22,172
Office of Safety	0	8,617	8,617
Rail Transit Safety Oversight	0	36,594	36,594
TOTAL	98,911	166,294	67,383

1/ FY 2010 column reflect equivalent programs to the FY 2012 program structure.

FTA requests \$166.3 million for a new *Operations and Safety Program*, which replaces the current *Administrative Expenses* account. In total, the request represents a \$67.4 million increase over the FY 2010 enacted level with most of this increase attributable to the new funding for FTA’s proposed rail transit safety activities.

This account contains resources for nearly all of the agency’s core administrative costs (e.g., salaries and benefits, travel, printing, contract and other services, supplies and equipment). This year, FTA seeks \$121 million, a \$22 million increase for its *Core Operations*. These resources are needed support the increased workload that will come with the agency’s expanded program size, which is proposed to roughly double from its current level. The anticipated increase in the number grants and contracts that must be reviewed, processed, overseen, and audited will require an increase in the number of FTA staff. FTA is requesting an increase of 40 full time equivalents (FTE) – an eight percent increase above current FTE usage. The increase in FTE is on par with temporary hires FTA made to manage the \$8.4 billion 2009 American Recovery and Reinvestment Act (ARRA). The ARRA staff currently on-board (42 term employees) will be released no later than September 30, 2012 when the Recovery Act administrative funds expire.

This requested staffing increase is also supported by the Booz-Allen-Hamilton manpower study of FTA (“Federal Transit Administration Final Strategic Workforce Plan”). In this 2009 analysis, BAH analyzed the FTA workload and concluded that “additional resources must be added, and/or the scope and volume of program work must be downsized. FTA is currently at risk of not meeting core agency functional responsibilities.”

FTA is also requesting resources to carry out requirements in its rail transit safety legislation submitted to Congress in December 2009. The budget supports a new \$9 million *Office of Safety* and 45 FTEs to provide policy guidance and management of FTA’s rail transit safety oversight

requirements. The *Rail Transit Safety Oversight* request of \$37 million will fund an estimated 25 rail transit safety inspectors and provides grants to States to implement new safety requirements. Federal and State rail transit safety teams will be able to conduct investigations and audits identifying unsafe vehicles, equipment, control systems, and operating practices.

FTA estimates it will directly employ at least 25 inspectors in FY 2012, though the number could be greater depending on the decisions made by States to implement the new rail transit safety requirements. States would have the option of establishing their own rail transit safety inspection programs that would be certified and funded by FTA. Alternatively, States may “opt out” in which case FTA will perform this oversight function directly through a cadre of Federal rail transit safety inspectors. The *Rail Transit Safety Oversight* request reflects the fully loaded costs of the inspectors including, travel, training, and rent. The request also includes funding to support necessary training and certification of inspectors, whether they are Federal or State employees.

Operations and Safety

FTE Summary	2011 C.R. Annualized	2012 Request	Change
FTA Base Program	529	569	40
Office of Safety	0	45	45
Rail Transit Safety	0	25	25
Total	529	639	110

What Is This Program?

Core Operations

The purpose of the *Operations and Safety Account* is to fund FTA’s administrative requirements for the agency and its new Rail Transit Safety Oversight program. This account funds nearly all administrative functions for FTA programs including salaries, benefits, travel, rents, communications, printing and reproduction, contracts, supplies, equipment and all other costs.

FY 2010 Base

In FY 2010, FTA significantly increased its overall staffing to address key vacancies across the organization. Through targeted hiring, FTA ended the year at an FTE level of 529.

Anticipated FY 2011 Accomplishments

FTA continues to maintain its staffing level at the FY 2010 level. This will enable the agency to quickly achieve its FY 2012 request level of 569 by planning hiring to occur in August and September 2011. The additional staff are needed to address the increased work load as well as provide better service to our customers.

Safety

The *Rail Transit Safety Oversight Program* is proposed to be a regulatory standard-setting and enforcement program. The program is necessary to improve the level of safety at the nation's transit systems, which unlike all other modes of transportation are not subject to Federal safety oversight. Because the Federal Government does not regulate heavy and light rail systems, transit agencies receive uneven oversight at the local level. The program's purpose directly aligns with the Department's strategic goal of, "improving public health and safety by reducing transportation-related fatalities and injuries."

Beneficiaries of the program would be members of the traveling public who should be exposed to less risk of injury and death as a result of FTA's regulatory actions. Program partners would include State and local transit agencies, which will be subject to oversight. Also, States would need to comply with new Federal standards if they chose to administer their own safety oversight programs. A State would not be preempted from establishing a more stringent safety standard if the standard meets certain Federal criteria. DOT would ensure that a State agency overseeing transit systems would be financially independent from the transit system it oversees. The Secretary would enforce the Federal safety standards absent a State's participation.

Rail transit safety inspectors would conduct first-hand investigations and audits of rail transit systems to identify unsafe vehicles, equipment, control systems and operating practices. In general, FTA assumes it will employ at least 25 in-house inspectors composed of five teams of five professionals based at FTA regional offices. The inspectors, both State and Federal, would travel extensively to carry out their responsibilities to provide coverage of 27 rail transit systems with over 3,100 miles of track. These teams will include signal system specialists, track specialists, rail vehicle specialists, and rail transit operations specialists.

Why Is This Particular Program Necessary?

Without its people, who are located in Washington and in 10 regional offices across the country, FTA would not be able to deliver its multi-billion dollar transit program. The *Core Operations* of FTA include providing assistance and advice to FTA's 1,300 grantees, reviewing and evaluating grant applications, developing program and policy guidance for industry stakeholders, conducting research, and carrying out essential back-office financial management and organizational services, among others.

The *Rail Transit Safety Oversight Program* is necessary to improve the level of safety of the nation's transit systems, which unlike all other modes of transportation are not subject to Federal safety oversight. Because the Federal Government does not regulate heavy and light rail transit systems, transit agencies are subject to uneven oversight at the local level. Under the existing paradigm, State oversight agencies (SSO) are responsible for requiring that rail transit systems create a system safety program. The SSO then monitors implementation of that program by the transit agency. Most SSO's lack the expertise, authority, and resources to effectively carry out this function.

How Do You Know The Program Works?

FTA's organizational performance is measured by its ability to be a good Federal steward of taxpayer funds, provide high quality service, and meet the needs of grantees and other stakeholders. Whether or not FTA "works" -- to provide services quickly and accurately -- depends on it having adequate staffing and information technology (IT) support resources.

Regarding safety, the *Rail Transit Safety Program's* performance will be measured on whether transit injury and fatality rates improve over time. For FY 2009, the actual injury rate was 35.2 injuries per 100 million passenger miles traveled and the fatality rate was .243 fatalities per 100 million passenger miles traveled.

To validate the causal connection between Federal and State oversight efforts and national safety statistics, FTA plans to conduct program evaluations over time. The goal of the evaluations will be to determine if the program is designed appropriately to affect safety performance.

Why Do We Want/Need To Fund The Program At The Requested Level?

Below are descriptions of the primary components of FTA's *Operations and Safety* request.

Salaries and Benefits

Salaries and benefits account for approximately 69 percent of the funding in this account. For FY 2012, FTA is requesting additional 40 FTE compared to the FY 2010 enacted level for its core operations for a total of 569 FTE. This increase in FTE usage will add \$6.4 million to the salaries and benefits baseline.

Specifically for FY 2012, having adequate staffing levels with the right skill sets in place will improve the agency's stewardship of Federal funds, provide essential technical assistance to create better transit projects during the planning stages, increase financial and project management oversight reviews and focus on overall financial and internal control compliance of grantees during triennial reviews.

The staffing requirements in FY 2012 are particularly acute because FTA is proposing to more than double its program size to \$22 billion. FTA will have intensive workload requirements to stand-up and roll out new programs and reforms. These include:

- A new *Bus and Rail State of Good Repair program* (funding more than doubled; more grants and new eligibility requirements)
- A new *Livability Demonstration Grant program* (major DOT livability initiative)
- A new *Consolidated Specialized Transportation Grant program* (new guidance needed)
- A new *Emergency Relief Program* (new regulations and guidance needed)
- A larger *Capital Investment Grant program* (60 percent increase in funding; more projects to administer)

- New temporary and targeted operating assistance proposal with labor intensive tracking and monitoring requirements
- Larger *Urbanized* and *Rural Formula* programs increasing the size of grants made and oversight needed
- A new *Rail Transit Safety Oversight program* with regulatory requirements and more inspections and audits.

Grants Management Modernization

FTA's Transportation Awards and Electronic Management (TEAM) system supports the management of FTA's public transportation assistance programs from application through closeout, as well as contracts for oversight, research and technical support. TEAM is built with technologies that are outdated and no longer supported. A more modern platform will make code writing simpler and more manageable when the FTA needs to add capabilities as well as address new reporting requirements. As part of this re-engineering process and to provide missing reporting functionality, FTA plans an automated system transformation to a relational database model and streamlined database structure using current technology. The planning process for these changes began in FY 2010 with requirements analysis. Preliminary re-engineering will begin in FY 2011, with full re-engineering continuing in FY 2012.

For fiscal year FY 2012, FTA requested \$4.3 million for TEAM redesign. The funding is needed to start the programming and reengineering of the grant management system that is critical for effective and efficient management of nearly \$12 billion in grants awarded to transit agencies each year. The current system, which manages \$21 billion of active grants (as of end of FY 2010) is outdated and can no longer be supported on the current platform and in the current code. Designing and building a system that meets current grant management funds tracking and reporting requirements is necessary for FTA to meet its fiduciary responsibilities.

Travel

For FY 2012, FTA is requesting \$2.4 million for travel, which compares to \$1.8 million in FY 2010. The request is needed to meet the travel requirements of successfully managing a nearly \$12 billion grant making agency. Staff from the ten FTA regional offices as well as headquarters offices are required to make site visits to transit properties to conduct oversight activities, provide technical assistance in the planning and management of existing and proposed transit systems and infrastructure, engage in legal actions, attend quarterly meetings, and attend or participate in transit conferences. With FTA's growing responsibilities, the agency needs greater capacity to conduct business with its partners and the public.

The past congressional practice of legislatively capping FTA's travel budget makes it difficult to meet all the travel requirements for the agency. FTA's travel requirements will be compounded as additional staff are brought on-board. Consequently, for FY 2012 no legislative travel ceiling is proposed.

Office of Safety

FTA's new *Office of Safety* would include new headquarters safety staff that would set policies and standards for the safety regulatory program and would work in conjunction with field oversight staff. The Office of Safety would consist of three organizational units: 1) Office of Transit Safety Compliance, 2) Office of Transit Safety Regulation Development, and 3) the Office of Technical Assistance. Salary and benefit costs are estimated at \$6.4 million. For FY 2012, FTA is requesting 45 FTE to fully staff this office – the office's full employment level. This staffing is critical for allowing FTA to accomplish the critical mission of improving transit safety.

Rail Transit Safety Oversight Program

The \$36.6 million request supports the cost of 25 rail transit safety inspectors and will provide grants to States to oversee rail transit safety. FTA estimates that 25 FTE will be Federal inspectors. This staffing level represents FTA's best estimate of the necessary oversight nationwide for 27 rail transit systems with 3,100 miles of track.

When developing the budget request, FTA staff consulted with other DOT safety modes including FMSCA, FRA, and FAA about regulatory strategies and associated staffing levels.

In the future, the number of inspectors may need to increase as existing systems add rail mileage and as new rail transit systems are created. It should be noted that FTA is currently planning on regulating rail transit systems, but not bus transit systems at this time.

ADMINISTRATIVE PROVISIONS – FEDERAL TRANSIT ADMINISTRATION

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

SEC. 161. Notwithstanding any other provision of law, funds appropriated or limited by this Act under ["Federal Transit Administration, Capital Investment Grants" and for bus and bus facilities under "Federal Transit Administration, Formula and Bus Grants"] *the Federal Transit Administration's discretionary program appropriations headings* for projects specified in this Act or identified in reports accompanying this Act not obligated by September 30, [2013] 2014, and other recoveries, shall be [made available for] *directed to* other projects [under 49 U.S.C. 5309] *eligible to use the funds for the purposes for which they were originally provided.*

SEC. 162. Notwithstanding any other provision of law, any funds appropriated before October 1, [2010] 2011, 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. During fiscal year 2011, each Federal Transit Administration grant for a project that involves the acquisition or rehabilitation of a bus to be used in public transportation shall be funded for 90 percent of the net capital costs of a biodiesel bus or a factory-installed or retrofitted hybrid electric propulsion system and any equipment related to such a system: *Provided*, That the Secretary shall have the discretion to determine, through practicable administrative procedures, the costs attributable to the system and related-equipment.]

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

[SEC. 165. In addition to the amounts made available under section 5327(c)(1) of title 49, United States Code, the Secretary may use, for program management activities described in section 5327(c)(2), 0.25 percent of the amount made available to carry out section 5307 of title 49, United States Code, 0.5 percent of the amount made available to carry out section 5311 of title

49, United States Code, and 1 percent of the amount made available to carry out section 5316 of title 49, United States Code: *Provided*, That funds made available for program management oversight shall be used to oversee the compliance of a recipient or subrecipient of Federal transit assistance consistent with activities identified under section 5327(c)(2) and for purposes of enforcement.]

ADMINISTRATIVE EXPENSES

PROGRAM AND PERFORMANCE

FTA administrative expenses include salaries, benefits and administrative overhead of the staffing level necessary to support the agency's operations. No funds are requested in this account for 2012, The Administration is proposing funding for these programs within multi-year surface transportation reauthorization. As part of the reauthorization proposal, programs currently administered from this account would be continued in a new Operations and Safety account that would be funded from the Mass Transit Account of the Transportation Trust Fund.

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

Program and Financing (in millions of dollars)

Identification code : 69-1120-0-1-401	2010 Actual	2011 Est.	2012 Est.
Obligations by program activity:			
0001 Administration expenses	99	99	...
Budgetary Resources:			
Budgetary authority:			
1100 Appropriation, discretionary.....	...	...	...
1200 Appropriation, mandatory.....	99	99	-102
1700 Spending authority from offsetting collections, discretionary: Collected.....	1	...	...
1900 Budgetary Authority (Total).....	100	99	-102
1930 Total budgetary resources available.....	100	99	-102
Memorandum (non-add) entries:			
1940 Unobligated balances expiring	-1	...	...
Change in obligated balances:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross).....	12	13	10
3030 Obligations incurred, unexpired accounts.....	99	99	...
3031 Obligations incurred, expired accounts.....	1	...	...
3040 Outlays (gross).....	-97	-102	10
3081 Recoveries of prior year unpaid obligations, expired.....	-2	...	...
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross).....	13	10	...
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross.....	1	...	...
4010 Outlays from new discretionary authority.....	1	...	...
4020 Total outlays (gross).....	1	...	...
Offsets against gross budget authority and Outlays:			
Offsetting collections (collected) from:			
4030 Federal sources.....	-1	...	...
4070 Budget authority, net (discretionary).....	0	0	0
4080 Outlays, net (discretionary).....	0	0	0
Mandatory			
4090 Budget authority, net (discretionary).....	99	99	-102
Outlays			
4100 Outlays from new mandatory authority.....	87	89	
4101 Outlays form mandatory balances.....	9	13	10
4160 Budget authority, net (mandatory).....	99	99	-102
4170 Outlays, net (mandatory).....	96	102	10
4180 Budget authority, net (total).....	99	99	-102
4190 Outlays, net (total).....	96	102	10

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

Object Classification (in thousands of dollars)

Identification code : 69-1120-0-1-401		2010 Actual	2011 Est.	2012 Est.
Direct obligations:				
Personnel Compensation:				
11.1	Full- time permanent.....	54	55	0
11.3	Other than full-time permanent.....	1	1	0
11.9	Total personnel compensation.....	55	56	0
12.1	Civilian personnel benefits.....	14	13	0
21.0	Travel and transportation of persons.....	2	2	0
23.1	Rental payments to GSA.....	6	7	0
23.3	Communications, utilities, and misc. charges.....	1	1	0
25.2	Other services.....	14	14	0
25.3	Other services - Federal Sources.....	6	5	0
31.0	Equipment.....	1	1	0
99.0	Total new obligations.....	99	99	0

Identification code : 69-1120-0-1-401		2010 Actual	2011 Est.	2012 Est.
Direct:				
	Total compensable work years: Full-time equivalent employment.....	529	529	0

FORMULA GRANTS

PROGRAM AND PERFORMANCE

This schedule shows the obligation and outlay of formula grant program funding made available in fiscal years prior to 2005. In 2012, funds requested for these transit formula grant programs are included in the Transit Formula Grants account and funded exclusively by the Mass Transit Account of the Transportation Trust Fund.

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

Program and Financing (in millions of dollars)

Identification code : 69-1129-0-1-401		2010 Actual	2011 Est.	2012 Est.
Obligations by program activity:				
0001	Urban Formula Capital.....	3	23	23
0002	Elderly and Disabled.....	...	1	1
0003	Nonurban Formula.....	2	1	1

0900	Total new obligations.....	5	25	25
Budgetary resources available for obligation:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct1	82	85	60
1021	Recoveries of prior year unpaid obligations.....	7	...	...

1050	Unobligated balance (total).....	89	85	60
Budget Authority				
Appropriation, discretionary:				
1121	Appropriations transferred from other accounts.....	1	...	...
1900	Budget authority (total).....	1	...	...
1930	Total budgetary resources available.....	90	85	60
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year.....	85	60	35
Change in obligated balances:				
Obligated balance start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross).....	1,252	822	427
3010	Uncollected pymts, Fed sources, brought forward Oct 1	-14	-14	-14

3020	Obligated balance, start of year (net).....	1,238	808	413
3030	Obligations incurred, unexpired accounts.....	5	25	25
3040	Outlays (gross).....	-428	-420	-253
3080	Recoveries of prior year unpaid obligations, unexpired.....	-7	...	...
Obligated balance, end of year (gross)				
3090	Unpaid obligations, end of year (gross).....	822	427	199
3091	Uncollected pymts, Fed sources, end of year.....	-14	-14	-14

3100	Obligated balance, end of year (net).....	808	413	185
Budget Authority and Outlays, net:				
Discretionary				
4000	Budget authority, gross.....	1	...	...
Outlays, gross				
4010	Outlays from new discretionary authority.....	1	...	...
4011	Outlays from discretionary balances.....	427	420	253

4020	Outlays, gross (total).....	428	420	253
4180	Budget authority.....	1	...	...
4190	Outlays.....	428	420	253

NATIONAL RESEARCH AND TECHNOLOGY

PROGRAM AND PERFORMANCE

The Administration proposes to reclassify all surface transportation outlays as mandatory, consistent with the recommendations of the President's National Commission on Fiscal Responsibility and Reform, and to also move a number of current General Fund programs into the Transportation Trust Fund. This schedule reclassifies 2010 enacted budget authority and outlays as mandatory for comparability purposes.

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

Program and Financing (in millions of dollars)

Identification code : 69-1137-0-1-401	2010 Actual	2011 Est.	2012 Est.
Obligations by program activity:			
0100	48	56	59
0801	2	13	34
0900	50	69	93
Budgetary resources:			
Unobligated balance:			
1000	76	104	131
1021	5	5	5
1050	81	109	136
Appropriations, discretionary:			
1200	66	66	-67
Spending authority from offsetting collections:			
1700	25	25	...
1701	-18	...	...
1750	7	25	...
1900	73	91	...
1930	154	200	69
Memorandum (non-add) entries:			
1941	104	131	43
Change in obligated balances:			
Obligated balance, start of year (net):			
3000	138	105	63
3010	-70	-52	-52
3020	68	53	11
3030	50	69	93
3040	-78	-106	-83
3050	18	...	...
3080	-5	-5	-5
Obligated balance, end of year (net):			
3090	105	63	68
3091	-52	-52	-52
3100	53	11	16

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

Program and Financing (in millions of dollars)

Identification code : 69-1137-0-1-401	2010 Actual	2011 Est.	2012 Est.
Budget authority and outlays, net:			
Discretionary:			
4000	7	25	...
	Outlays, gross:		
4010	...	25	...
4011	25	24	23
4020	25	49	23
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030	-25	-25	...
Additional offsets against gross budget authority only			
4050	18	...	...
4060	18	...	...
4080	...	24	23
Mandatory:			
4090	66	66	-67
Outlays, gross:			
4100	9	13	...
4101	44	44	60
4110	53	57	73
4160	66	66	-67
4170	53	57	60
4180	18	0	-67
4190	53	81	83

Object Classification (in thousands of dollars)

Direct obligations:			
25.5	14	1	1
41.0	34	55	58
99.0	48	56	59
99.0	2	13	34
99.9	50	69	93

JOB ACCESS AND REVERSE COMMUTE GRANTS

PROGRAM AND PERFORMANCE

This schedule shows the obligation and outlay funding made available for this program in fiscal years prior to 2005.

**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		2010 Actual	2011 Est.	2012 Est.
Obligations by program activity:				
0001	Job access and reverse commute grants.....	1	6	5
0900	Total new obligations (object class 41.0).....	1	6	5
Budgetary resources available for obligation:				
1000	Unobligated balance carried forward, start of year	13	13	7
1021	Recoveries of prior year unpaid obligations.....	1	0	0
1050	Unobligated balance (total).....	14	13	7
1930	Total budgetary resources available.....	14	13	7
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	13	7	2
Change in obligated balances:				
Obligated balance, start of year.....				
3000	Unpaid obligations, brought forward, Oct 1 (gross).....	50	31	23
3030	Obligations incurred , unexpired accounts	1	6	5
3040	Outlays (gross).....	-19	-14	-9
3080	Recoveries of prior year unpaid obligations, unexpired.....	-1	0	0
Obligated balance, end of year (net).....				
3090	Unpaid Obligations, end of year (gross).....	31	23	19
Budgetary authority and outlays, net:				
Discretionary:				
Outlays (gross):				
4011	Outlays from discretionary balances.....	19	14	9
4180	Budget authority.....	...	...	...
4190	Outlays.....	19	14	9

CAPITAL INVESTMENT GRANTS

PROGRAM AND PERFORMANCE

The Administration proposes to reclassify all surface transportation outlays as mandatory, consistent with the recommendations of the President's National Commission on Fiscal Responsibility and Reform, and to also move a number of current General Fund programs into the Transportation Trust Fund. This schedule reclassifies 2010 enacted budget authority and outlays as mandatory for comparability purposes.

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

Program and Financing (in millions of dollars)

Identification code : 69-1134-0-1-401	2010 Actual	2011 Est.	2012 Est.
Obligations by program activity:			
0001	1,708	2,100	1,560
0002	Federal Emergency Management P.L. 107-206		
	2	...	...
0003	1	105	...
0004	278	6	...
0091	1,989	2,211	1,560
0801	...	602	19
10.00	1,989	2,813	1,579
Budgetary resources:			
Unobligated Balances:			
1000	2,100	2,586	1,771
1021	473	...	...
1050	2,573	2,586	1,771
Budget Authority			
Appropriation, discretionary:			
1100	2,000	2,000	...
1120	-2	-2	...
1160	1,998	1,998	...
1900	1,998	1,998	...
1930	4,571	4,584	1,771
Memorandum (non-add)entries			
1941	2,586	1,771	192
Changes in obligated balance:			
Obligated balance, start of year (net):			
3000	4,666	3,812	4,338
3030	1,985	2,813	1,579
3040	-2,366	-2,287	-2,037
3080	-473	...	...
Obligated balance, end of year (net):			
3090	3,812	4,338	3,880
Budget authority and Outlays net:			
Discretionary			
40.00	1,998	1,998	...
Outlays, gross			
4010	439	240	...
4011	1,927	2,047	2,037
4020	2,366	2,287	2,037
4180	1,998	1,998	...
4190	2,366	2,287	2,037

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

Object Classification (in thousands of dollars)

		2010	2011	2012
Identification code : 69-1134-0-1-401		Actual	Est.	Est.
Direct obligations:				
11.11	Personnel compensation: Full-time permanent.....	1	1	1
25.2	Other Services.....	36	29	2
41.0	Grants, subsidies, and contributions.....	1,946	2,181	1,557
	Subtotal, obligations, Direct obligations.....	1,983	2,211	1,560
Reimbursable obligations:				
41.0	Grants, subsidies, and contributions.....	2	602	19
99.9	Total new obligations.....	1,985	2,813	1,579

Employment Summary

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

GRANTS FOR ENERGY EFFICIENCY AND GREENHOUSE GAS REDUCTIONS

PROGRAM AND PERFORMANCE

The Administration proposes to reclassify all surface transportation outlays as mandatory, consistent with the recommendations of the President's National Commission on Fiscal Responsibility and Reform, and to also move a number of current General Fund programs into the Transportation Trust Fund. This schedule reclassifies 2010 enacted budget authority and outlays as mandatory for comparability purposes.

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

Program and Financing (in millions of dollars)

Identification code : 69-1131-0-1-401	2010 Actual	2011 Est.	2012 Est.
Obligations by program activity:			
0001	---	75	---
0900	---	75	---
Budgetary resources available for obligation:			
Unobligated balance:			
1000	---	75	75
Budget Authority:			
Appropriation, discretionary:			
1100	---	---	---
1200	75	75	-76
1900	---	---	-76
1930	75	150	-1
Memorandum (non-add) entries:			
1941	75	75	75
Change in obligated balances:			
Obligated balance, start of year (net)			
3000	---	---	---
3030	---	75	---
3040	---	-8	-28
Obligated balance, end of year (net)			
3090	0	67	39
Budget authority and outlays, net:			
Discretionary:			
4000	---	---	---
Outlays, gross			
4011	---	---	1
4080	---	75	1
Mandatory			
4090	75	75	-76
4101	---	8	28
4160	75	75	-76
4170	---	8	28
4180	75	75	-76
4190	---	8	29

FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT, RECOVERY ACT

PROGRAM AND PERFORMANCE

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

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

Program and Financing (in millions of dollars)

		2010	2011	2012
Identification code : 69-1102-0-1-401		Actual	Est.	Est.
Obligations by program activity:				
0001	Fixed guideway infrastructure investment.....	7	2	2
Budgetary resources available for obligation:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1.....	11	4	2
1930	Total budgetary resources available.....	11	4	2
Memorandum (non-add) entries:				
1941	Unexpired obligated balance, end of year.....	4	2	---
Change in obligated balances:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross).....	662	423	203
3030	Obligations incurred, unexpired accounts.....	7	2	2
3040	Outlays (gross).....	-246	-222	-1200
Obligated balance, end of year (net):				
3090	Obligated balance, end of year (gross).....	423	203	-995
Budget Authority and Outlays, net:				
Outlays (gross):				
4011	Outlays from discretionary balances.....	246	222	120
4180	Budget authority, net (total).....	...	...	...
4190	Outlays net (total).....	246	222	120

TRANSIT CAPITAL ASSISTANCE, RECOVERY ACT

PROGRAM AND PERFORMANCE

The American Recovery and Reinvestment Act (ARRA) of 2009 provided \$6.9 billion to fund transit capital assistance to create jobs to bolster the American economy. Transit capital assistance was provided through urbanized area formula grants, non-urbanized area formula grants, and discretionary Tribal Transit grants. The funds were used for eligible capital projects, preventive maintenance, and the acquisition of buses and rail rolling stock. Additional ARRA capital assistance funding supported a new Transportation Investment in Greenhouse Gas and Energy Reduction (TIGGER) program to increase the use of environmentally sustainable operations in the public transportation sector.

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

Program and Financing (in millions of dollars)

Identification code : 69-1101-0-1-401	2010 Actual	2011 Est.	2012 Est.
Obligations by program activity:			
0001 Urban Area Formula Grants.....	760	...	...
0002 Nonurban Area Formula Grants.....	177	...	...
0003 Tribal Transit Grants.....	17	...	...
0004 Transit Energy Reduction.....	100	...	...
0005 Administration/Oversight.....	6	30	13
0900 Total new obligations.....	1,060	30	13
Budgetary resources available for obligation:			
Unobligated balances:			
1000 Unobligated balance carried forward, start of year	945	43	13
1011 Unobligated balance transferred from other accounts	155		
1021 Recoveries of prior year unpaid obligations	3	0	0
1050 Unobligated balance (total).....	1,103	43	13
1930 Total Budgetary resources available.....	1,103	43	13
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	43	13	...
Change in obligated balances:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross).....	5,673	6,730	4,300
3030 Obligations incurred, unexpired accounts.....	1,060	30	13
3040 Outlays (gross).....	0	-2,460	-1,244
3080 Recoveries of prior year unpaid obligations, unexpired ..	-3	0	0
Obligated balance, end of year (net):			
3090 Obligated balance, end of year	6,730	4,300	3,069
Budget Authority and outlays, net:			
Discretionary:			
Outlays (gross):			
4011 Outlays from new discretionary authority.....	2,516	2,460	1,244
4180 Budget authority, net (total).....	...	...	...
4190 Outlays, net (total).....	2,516	2,460	1,244
Object Classification (in millions of dollars)			
Direct Obligations:			
11.1 Personnel compensation: Full-time Temporary.....	4	5	5
25.2 Other services from non-federal sources.....	2	25	8
41.0 Grants, subsidies, and contributions.....	1,054	...	...
99.9 Total New Obligations	1,060	30	13
Employment Summary			
1001 Direct civilian full-time equivalent employment	26	40	40

RESEARCH TRAINING AND HUMAN RESOURCES

PROGRAM AND PERFORMANCE

Since 2006, the activities funded in the Research, Training and Human Resources account have been requested and funded in the Research and University Research Centers program. The 2012 budget includes a new trust fund account for research and technology deployment activities. This schedule shows the obligation and outlay of amounts made available in fiscal years prior to 2006.

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

Object Classification (in thousands of dollars)

		2010	2011	2012
Identification code : 69-1121-0-1-401		Actual	Est.	Est.
Change in obligated balances:				
30.00	Obligated balance, start of year.....	1	1	1
30.20	Obligated balance, start of year.....	1	1	1
30.90	Unpaid obligations, end of year (gross).....	1	1	1
31.00	Obligated balance, end of year (net).....	1	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
INTERSTATE TRANSFER GRANTS-TRANSIT**

Program and Financing (in millions of dollars)

Identification code : 69-1127-0-1-401		2010	2011	2012
		Actual	Est.	Est.
Obligations by program activity:				
0001	Direct Program activity.....	0	1	1
0100	Direct program activity, subtotal.....	0	1	1
0900	Total new obligations (object class 41.0).....	0	1	1
Budgetary resources available for obligation:				
1000	Unobligated balance carried forward, start of year.....	1	2	1
1021	Resources available from recoveries of prior year obligations	1	...	...
1050	Unobligated balance (total).....	2	2	1
1930	Total budgetary resources available	2	2	1
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year.....	2	1	...
Change in obligated balances:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross).....	1	0	0
3030	Obligations incurred, unexpired accounts.....	...	1	1
3040	Outlays (gross).....	...	-1	-1
3080	Recoveries of prior year obligations.....	-1	...	...
3090	Unpaid obligations, end of year (gross).....	0	0	0
Budget authority and outlays, net:				
Discretionary:				
Outlays, gross:				
4011	Outlays from discretionary balances.....	...	1	1
4180	Budget authority.....	...	...	...
4190	Outlays.....	...	1	1

DISCRETIONARY GRANTS (Transportation Trust Fund, Mass Transit Acct)

PROGRAM AND PERFORMANCE

In 2012, no additional liquidating cash is requested to pay previously incurred obligations in the Discretionary Grants account.

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

Program and Financing (in millions of dollars)

		2010	2011	2012
Identification code : 69-8191-0-7-401		Actual	Est.	Est.
Obligations by program activity:				
0001	Discretionary grants.....	...	2	2
0900	Total new obligations (object class 41.0).....	...	2	2
Budgetary resources available for obligation:				
Unobligated balance:				
1000	Unobligated balance carried forward, start of year	2	4	2
1021	Resources available from recoveries of prior year obligations	2	...	...
1050	Unobligated balance (total).....	4	4	2
1930	Total budgetary resources available.....	4	4	2
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year.....	4	2	...
Change in obligated balances:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross).....	80	61	50
3030	Obligations incurred, unexpired accounts.....	...	2	2
3040	Outlays (gross).....	-17	-13	-13
3080	Recoveries of prior year obligations, unexpired.....	-2	...	...
3090	Unpaid obligations, end of year (gross).....	61	50	39
Budget authority and outlays, net:				
Discretionary:				
Outlays, gross:				
4011	Outlays from new discretionary balances.....	17	13	13
4180	Budget authority, net (total).....	...	...	...
87.00	Outlays (total).....	17	13	13
Memorandum (non-add) entries:				
5054	Fund balance in excess of liquidating requirements, SOY			
	Contract authority.....	38	38	38
5055	Fund balance in excess of liquidating requirements, EOY			
	Contract authority.....	38	38	...
5061	Limitation on obligations (Transportation Trust Fund).....	...	...	...

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

Program and Financing (in millions of dollars)

		2010	2011	2012
Identification code : 69-1122-0-1-401		Actual	Est.	Est.
Change in obligated balances:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross).....	1	1	1
Obligated balance, end of year (net).....				
3090	Unpaid obligations, end of year (gross).....	1	1	1
4180	Budget authority.....	...	...	...
4190	Outlays.....	...	...	...

Administrative Expenses

Estimates		Appropriations + Oblimits	
1990	---	1990	31,809,000
1991	35,402,000	1991	32,583,000
1992	40,365,000 ¹	1992	37,000,000
1993	14,139,000 ²⁰	1993	38,520,000 ¹⁴
1993 (Supp.) rescission	0	1993 (Supp.) rescission	-305,000
1994	21,295,000 ²¹	1994	39,457,000 ¹⁶
1995	43,060,000	1995	42,315,700 ²
1996	44,202,000 ³	1996	40,722,000 ⁴
1997	43,652,000	1997	41,825,849 ⁵
1998	47,018,000 ¹	1998	45,614,000 ⁶
1999	48,142,000 ¹	1999	53,338,000 ^{7,9,11}
2000	60,000,000 ⁸	2000	59,562,000 ^{8,12}
2001	64,000,000 ¹⁰	2001	63,859,200 ¹³
2002	67,000,000 ¹⁵	2002	67,000,000 ¹⁵
2003	76,586,000 ¹⁷	2003	72,525,500 ^{17,19}
2004	76,500,000 ¹⁸	2004	75,054,550 ^{21,22}
2005	79,931,000	2005	76,423,000 ^{23,24,25}
2006	83,500,000	2006	79,200,000 ²⁶
2007	85,000,000	2007	85,000,000
2008	89,300,000	2008	89,300,000
2009	94,413,000	2009	94,413,000
2010	97,478,000	2010	98,911,000
2011	113,559,000	2011	98,911,000 ²⁷

- 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.
- ²⁷ Assumes full year CR.

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.

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.

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.

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.

Washington Metropolitan Area Transit Authority

	Estimates		Appropriations
1990	42,000,000	1990	84,745,000
1991	38,000,000	1991	64,100,000
1992	80,000,000	1992	124,000,000
1993	182,000,000	1993	170,000,000
1994	200,000,000	1994	200,000,000
1995	200,000,000	1995	200,000,000
1996	200,000,000 ¹	1996	200,000,000
1997	200,000,000	1997	200,000,000
1998	0 ²	1998	200,000,000
1999	0 ²	1999	50,000,000
2000	0	2000	0
2009	0	2009	150,000,000
2010	150,000,000	2010	150,000,000
2011	150,000,000	2011	150,000,000 ³
2012	150,000,000	2012	

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 Assumes full year CR.

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.

Capital Investment Grants

Estimates		Appropriations	
1999	451,400,000	1999	501,400,000 ¹
2000	490,200,000	2000	537,747,303 ^{2,3}
2001	529,200,000	2001	577,925,760 ^{4,5}
2002	568,200,000	2002	618,200,000 ⁶
2002	0 ^{7,8}	2002	1,900,000,000 ^{7,8}
2003	607,200,000	2003	682,733,200 ¹⁰
2004	⁹	2004	623,797,750 ¹¹
2005	⁹	2005	463,614,176 ^{12,13}
2006	⁹	2006	1,440,681,660 ^{14,15}
2007	1,466,000,000	2007	1,566,000,000
2008	1,399,818,000	2008	1,569,091,997
2009	1,620,828,893	2009	1,809,250,000 ¹⁶
2010	1,827,343,000 ¹⁸	2010	2,000,000,000 ¹⁷
2011	1,820,112,000 ¹⁸	2011	2,000,000,000 ^{17,19}

- ¹ Reflects transfer of \$50,000,000 from Formula Grants pursuant to P. L. 105-277.
- ² Reflects transfer of \$50,000,000 from Formula Grants pursuant to P. L. 106-69.
- ³ Reflects transfer of \$2,452,697 from New Starts to TPR National Research pursuant to P. L. 106-069.
- ⁴ Reflects transfer of \$50,000,000 from Formula Grants pursuant to P. L. 106-346.
- ⁵ Reflects reduction of \$1,274,240 (.22%) pursuant to section 1403 of P. L. 106-554.
- ⁶ Reflects transfer of \$50,000,000 from Formula Grants pursuant to P. L. 107-87.
- ⁷ Emergency Supplemental funds, Department of Defense Appropriations/Emergency Supplemental, P.L. 107-117.
- ⁸ Supplemental Appropriations Act for Further Recovery From and Response To Terrorist Attacks, P.L. 107-206
- ⁹ Proposed to be funded in Major Capital Investment Grants.
- ¹⁰ Reflects reduction of \$3,946,800 (.65%) pursuant to section 601 of P. L. 108-7, includes \$29,805,000 transfers from Job Access and Reverse Commute and \$49,675,000 from Formula Grants. Does not include transfer to Maritime Admin.
- ¹¹ Reflects reduction of \$3,702,250 (.59%) pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.
- ¹² Reflects reduction of \$3,338,824 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.
- ¹³ Does not reflect transfers of unobligated balances included in sections 169, 171, 175, and 531 of P.L. 108-447, the Consolidated Appropriations Act, 2005.
- ¹⁴ Reflects reduction of \$14,552,340 (1%) pursuant to Div B, Title III, Chapter 8, sec. 3801, P.L. 109-148, the Defense Appropriation Act, 2006
- ¹⁵ Does not reflect transfers of \$47,288,340 from Formula and Bus Grants P.L. 109-115, the "DOT Appropriations Act, 2006"
- ¹⁶ Does not reflect the transfer of \$2,000,000 to the DOT Office of Inspector General from section 5327(c) pursuant to P.L. 111-8, Omnibus Appropriations Act, 2009, Div. I, Title I.
- ¹⁷ Does not reflect \$2,000,000 transfer to the DOT Inspector General, pursuant to Omnibus Appropriations Act, 2009 (Pub Law 111-8) Division I, from funds available to execute contracts under 5327(c).
- ¹⁸ Does not reflect \$2,000,000 proposed transfer to the DOT Inspector General from funds available to execute contracts under 5327(c).
- ¹⁹ Assumes full year CR.

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.

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	0 ⁵	1998	2,000,000,000
1999	1,805,600,000 ⁵	1999 Rescission	-392,000,000 ⁶
		2005	--- ⁸

¹ Reflects FY 1994 rescission of \$3,309,000.

² Reflects reduction of \$96,000 for procurement reform section 323 of P. L. 103-331.

³ The Rescission Bill P. L. 104-19 reduced Discretionary Grants from FY 1992 and prior year balances by taking \$33.9 million from Bus (\$1.28 million) and New Starts (\$32.6 million).

⁴ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.

⁵ Proposed to be funded under Major Capital Investments.

⁶ Rescission of remaining contract authority pursuant to Omnibus Consolidated Appropriations Act P. L. 105-277.

⁷ Includes \$200 million for Formula Grants under section 9(B).

⁸ Does not include transfers of unobligated balance pursuant to section 164 of P.L. 108-447, Consolidated Appropriations Act, 2005.

Discretionary Grants

Liquidation of Contract Authorization

	Estimates		Appropriations
1990	---	1990	897,300,000
1991	900,000,000	1991	900,000,000
1992	1,500,000,000	1992	1,500,000,000
1993	1,000,000,000	1993	1,500,000,000
1994	1,000,000,000	1994	1,000,000,000
1994 (Supp.) Rescission	-52,037,325	1994 (Supp.) Rescission	-3,308,935
1995	1,500,000,000	1995	1,500,000,000
1995 (Supp.)	0	1995 (Supp.)	350,000,000
1996	1,700,000,000 ¹	1996	2,000,000,000
1996 (Supp.)	0	1996 (Supp.)	375,000,000
1997	2,000,000,000	1997	2,300,000,000
1998	2,350,000,000 ²	1998	2,350,000,000
1999	1,900,000,000 ²	1999	2,000,000,000 ³
2000	1,500,000,000 ²	2000	1,500,000,000 ³
2001	350,000,000 ²	2001	350,000,000 ³
2002	0	2002	0

¹ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.

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

³ Funded from the mass transit account of the Highway Trust Fund.

National Research and Technology
 [Research and University Research Centers]
 [Transit Planning and Research]

Estimates		Appropriations + Oblimits	
1992		1992	104,115,000
1993	28,537,000 ²²	1993	85,000,000 ¹⁴
1994	45,875,000	1994	92,250,000 ¹⁵
1995	92,250,000	1995	100,079,000 ¹
1995 (Supp.) Rescission	0	1995 (Supp.) Rescission	-7,000,000
1996	100,027,000 ²	1996	85,500,000
1997	85,500,000	1997	85,500,000
1998	91,800,000 ³	1998	91,500,000 ⁴
1999	91,900,000 ³	1999	98,000,000 ⁵
2000	107,000,000 ⁶	2000	109,209,311 ^{6,7,8,9}
2001	110,000,000 ¹⁰	2001	109,758,000 ^{11,12,17}
2002	116,000,000 ¹³	2002	116,000,000 ^{13,18}
2003	122,000,000 ¹⁶	2003	121,207,000 ^{20,21}
2004	0 ¹⁹	2004	125,256,600 ^{23,24}
2005	0 ¹⁹	2005	126,976,000 ²⁵
2006	0 ¹⁹	2006	74,448,000 ^{26,27}
2007	61,000,000	2007	61,000,000
2008	61,000,000	2008	65,362,900
2009	59,600,000	2009	67,000,000
2010	67,670,000	2010	65,670,000
2011	29,729,000	2011	65,670,000 ²⁸

- 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.
- ²⁸ Assumes full year CR.

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).

Formula and Bus Grants
General Fund Share

	Estimates		Limitations
2010	3,343,000,000	2010	3,343,171,000

Transit Formula Grants
[Formula and Bus Grants]
(Limitation on Obligations)
(Highway Trust Fund, Mass Transit Account)

Estimates		Limitations	
2004	5,615,406,000	2004	0 ²
2005	5,622,871,000	2005	0 ²
2006	6,135,000,000	2006	6,910,131,690 ³
2007	7,262,775,000	2007	7,262,775,000
2008	7,871,895,000	2008	7,767,887,062 ^{5/6}
2009	8,360,565,000	2009	8,260,565,000 ^{7/}
2010	5,000,000,000	2010	8,343,171,000 ^{8/}
2011	8,271,700,000	2011	8,343,171,000 ^{9/}
2012	7,691,986,000	2012	

Transit Formula Grants
[Formula and Bus Grants]
Liquidation of Contract Authorization

Estimates		Appropriations	
2004	690,000,000 ¹	2004	0 ²
2005	710,000,000 ¹	2005	0 ²
2006	3,384,000,000 ¹	2006	1,500,000,000 ⁴
2007	3,925,000,000	2007	4,660,000,000
2008	6,885,000,000	2008	6,855,000,000
2009	8,670,000,000	2009	8,670,000,000
2010	8,852,000,000	2010	9,400,000,000
2011	9,200,000,000	2011	9,400,000,000 ^{9/}
2012	10,000,000,000	2012	

¹ Proposed to be derived from the mass transit account of the Highway Trust Fund.
² Surface transportation reauthorizing legislation has not been enacted.
³ Reflects reduction of \$69,799,310 (1%) pursuant to Div B, Title III, Chapter 8, Sec 3801 of the Defense Appropriations Act, P.L. 109-148.
⁴ Funded from the mass transit account of the Highway Trust Fund.
⁵ Does not reflect rescission of \$28,660,920 in unobligated contract authority pursuant to P.L. 110-161 Div K, Title I.
⁶ Reflects reduction of obligation limitation and rescission of \$105,005,938 pursuant to P.L. 110-161 Div K, Title I, Section 172 and 173.
⁷ Reflects reduction of obligation limitation and rescission of \$100,000,000 pursuant to P.L. 111-8 Div I, Title I, Section 167.
⁸ Includes net \$1.407 billion flex funds transfer from the Federal Highway Administration (FHWA).
⁹ Assumes full year CR.

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.

Transit Capital Assistance

	Estimates		Appropriations
2009	-	2009	6,900,000,000 ¹

¹ American Recovery and Reinvestment Act, 2009

Fixed Guideway Infrastructure Investment

	Estimates		Appropriations
2009	-	2009	750,000,000 ¹

¹ American Recovery and Reinvestment Act, 2009

Capital Investments Grants

	Estimates		Appropriations
2009	-	2009	750,000,000 ¹

¹ American Recovery and Reinvestment Act, 2009

Grants for Energy Efficiency and Greenhouse Gas Reductions

Estimates		Appropriations	
2010	-	2010	75,000,000
2011	-	2011	75,000,000 ¹

¹ Assumes full year CR

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

	Estimates		Limitation
2012	166,294,000	2012	

Operations and Safety
Liquidation of Contract Authorization

	Estimates		Appropriations
2012	166,294,000 ¹	2012	

¹ Proposed to be derived from the Mass Transit Account of the Highway Trust Fund.

Transit Expansion and Livable Communities
(Limitation on Obligations)
(Highway Trust Fund, Mass Transit Account)

	Estimates		Limitation	
2012	3,469,070,000	2012		0

Transit Expansion and Livable Communities
Liquidation of Contract Authorization

	Estimates		Appropriations	
2012	600,000,000 ¹	2012		0

¹ Proposed to be derived from the Mass Transit Account of the Highway Trust Fund.

Bus and Rail State of Good Repair
(Limitation on Obligations)
(Highway Trust Fund, Mass Transit Account)

	Estimates		Limitation	
2012	10,707,178,000	2012		0

Bus and Rail State of Good Repair
Liquidation of Contract Authorization

	Estimates		Appropriations	
2012	3,000,000,000 ¹	2012		0

¹ Proposed to be derived from the Mass Transit Account of the Highway Trust Fund.

Research and Technology Deployment Program
(Limitation on Obligations)
(Highway Trust Fund, Mass Transit Account)

	Estimates		Limitation	
2011	166,294,000	2011		0

Research and Technology Deployment Program
Liquidation of Contract Authorization

	Estimates		Appropriations	
2011	100,000,000 ¹	2011		0

¹ Proposed to be derived from the Mass Transit Account of the Highway Trust Fund.

EXHIBIT IV-1

RESEARCH, DEVELOPMENT, & TECHNOLOGY
DEPARTMENT OF TRANSPORTATION
BUDGET AUTHORITY
(\$ in thousands)

	FY 2010	FY 2012	FY 2012	FY 2012
	Enacted	Request	Applied	Development
FEDERAL TRANSIT ADMINISTRATION				
A. National Research Program	22,559	20,000	12,500	2,000
1. Safety Innovative Research	<u>2,236</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
a. Safety Innovative Research	2,236	2,000	-	2,000
2. Bus Programs	<u>2,327</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
a. Bus Programs	2,327	2,000	2,000	-
3. Bus Testing Program	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>-</u>
a. Bus Testing Program	-	-	-	-
b. Bus Testing Program (T)	-	2,000	-	-
4. Rail & Infrastructure Program	<u>2,400</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
a. Rail & Infrastructure Program	2,400	2,000	2,000	-
5. Industry Analysis Research	<u>708</u>	<u>500</u>	<u>500</u>	<u>-</u>
a. Industry Analysis Research	708	500	500	-
6. Transit Standards Support	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>
a. Transit Standards Support	-	-	-	-
b. Transit Standards Support (T)	-	1,000	-	-
7. Asset Management & Maintenance Resarch	<u>5,400</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
a. Asset Management & Maintenance Resarch	5,400	1,000	1,000	-
8. Improve Transit Planning and Forecasting	<u>3,725</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
a. Improve Transit Planning and Forecasting	3,725	1,000	1,000	-
9. Improve the Rider Experience	<u>780</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
a. Improve the Rider Experience	780	1,500	1,500	-
10. Transit Connectivity Research	<u>1,886</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
a. Transit Connectivity Research	1,886	1,500	1,500	-
11. Rural and Targeted Populations Research	<u>2,667</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
a. Rural and Targeted Populations Research	2,667	2,000	2,000	-
12. International Public Transportation Program	<u>30</u>	<u>500</u>	<u>-</u>	<u>-</u>
a. International Public Transportation Program	-	-	-	-
b. International Public Transportation Program (T)	30	500	-	-
13. Provide Transit Research Leadership	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>-</u>
a. Provide Transit Research Leadership	-	-	-	-
b. Provide Transit Research Leadership (T)	-	2,000	-	-
14. Small Business Innovative Research	<u>400</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
a. Small Business Innovative Research	400	1,000	1,000	-
B. Technical Assistance and Workforce Development (T)	20,272	-	-	-
C. Transit Cooperative Research Program (T)	10,000	9,729	-	-
D. National Public Transportation Institutes (T)	4,300	-	-	-
E. University Transportation Centers (T)	7,000	8,000	-	-
Subtotal: Research and University Programs	<u>64,131</u>	<u>37,729</u>	<u>12,500</u>	<u>2,000</u>
F. Clean and Energy Efficient Public Transportation Research	<u>1,569</u>	<u>14,743</u>	<u>14,743</u>	<u>-</u>
1. Clean Fuel and Electric Drive Research	1,469	13,743	13,743	-
2. Reduce Transit Environmental Impacts	<u>100</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
G. Greenhouse Gas and Energy Reduction Deployment and Demonstrations (T)	-	75,000	-	-
Subtotal: Greenhouse Gas and Clean Fuels and Environmental Research	<u>1,569</u>	<u>89,743</u>	<u>14,743</u>	<u>-</u>
H. Administrative Expenses	<u>1,051</u>	<u>1,812</u>	<u>1,312</u>	<u>500</u>
Subtotal: Research & Development	25,149	31,055	28,555	2,500
Subtotal: Technology Investment (T)	41,572	98,229	-	-
Subtotal: Facilities (F)	-	-	-	-
Total FTA	<u>66,721</u>	<u>129,284</u>	<u>28,555</u>	<u>2,500</u>