



THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

January 2, 2009

The Honorable Christopher J. Dodd
Chairman
Committee on Banking, Housing,
and Urban Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

I am pleased to transmit the Federal Transit Administration's (FTA) "Report on the Job Access and Reverse Commute (JARC) Program" in accordance with the requirements detailed in 49 U.S.C. 5316(i)(2). This report provides Congress with the required evaluation of the effectiveness of the JARC program and the effectiveness of recipients making grants to subrecipients under the JARC program. The report and appendices make the following specific points:

- The JARC program is meeting its mission of providing low income persons with transportation to entry-level job opportunities;
- The cost-per-ride of JARC services is comparable to other public transit services;
- The JARC program produces tangible economic benefits to users of the services and the public at large;
- The JARC program may also produce long-term benefits for users;
- Participants in the coordinated public transit human service transportation planning process indicated that this process resulted in improvements in service coordination;
- However, the change in the program to a formula program under SAFETEA-LU has delayed the award of grants to recipients and subrecipients.

The U.S. Department of Transportation and FTA remain committed to the objectives of the JARC program and are working closely with program stakeholders to implement the program.

An identical letter has been sent to the Ranking Member of the Senate Committee on Banking, Housing, and Urban Affairs and the Chairman and the Ranking Member of the House Committee on Transportation and Infrastructure.

Sincerely,

/x/ original signed

Mary E. Peters

Enclosures

Report on the Job Access and Reverse Commute (JARC) Program

January 2009

Prepared by:
Federal Transit Administration
Office of Program Management
US Department of Transportation

<http://www.fta.dot.gov>

Background

In accord with the requirement detailed in 49 U.S.C. 5316(i)(2), this report provides Congress with the required evaluation of the effectiveness of the JARC program and the effectiveness of recipients making grants to subrecipients under the JARC program.

The Job Access and Reverse Commute Program

The JARC program provides grants to States and localities for improving the mobility of low income persons seeking and maintaining employment. Many new entry-level jobs are located in suburban areas outside the reach of existing public transportation, and low income persons who are transit dependent often have difficulty traveling to these jobs from their inner city, urban and rural neighborhoods. In addition, many entry level jobs require working late at night or on weekends when conventional transit services in many communities are either reduced or non-existent. Finally, many employment-related trips are complex for low income persons, often involving multiple destinations, including reaching childcare facilities and other services as part of the work trip. The JARC program seeks to break down these and other transportation barriers that hinder individuals' ability to find and keep jobs. JARC also funds reverse commute transit services for the general public.

In its present form the JARC program allocates funds to States and urbanized areas by a formula and requires that States and urbanized areas select subrecipients through a competition for available funding. The relatively small amounts of JARC funds available to many States and urbanized areas under the formula program coupled with the program's coordinated planning and competitive selection requirements have resulted in a lower percentage of JARC funds awarded, to date, than under FTA's other formula grant programs. In addition, many recipients have expressed concern to FTA that the costs of meeting program requirements outweigh the potential benefits from the new transit services supported with JARC funds. This is true particularly in States and smaller urbanized areas which received annual apportionments of less than \$100,000 by formula; obligation rates for such areas have lagged behind those of areas receiving larger amounts of funding.

Report Findings

Regarding the effectiveness of the program overall, this report summarizes the findings of three evaluations of the JARC program that were funded by the Federal Transit Administration (FTA) and conducted between 2002 and 2007: (1) *Connecting People to Employment: An Evaluation of JARC Services Provided in 2006*, (included in Appendices A and B to this report), which contains information on the types of services offered under the JARC program in Fiscal Year (FY) 2006 as well as information about the number of jobs accessed and one-way trips provided; (2) *The Economic Benefits of Employment Transportation*, with a focus on the JARC program (included in Appendix C to this report), which contains cost-effectiveness, cost-benefit, and longitudinal evaluations; and (3) *Planning Partnerships for Low-Income Transportation* (included in Appendix D to this report), which evaluates the effectiveness of the JARC program's coordinated planning requirement. These reports can be found on the JARC page of FTA's website, http://www.fta.dot.gov/funding/grants/grants_financing_7175.html.

Taken together, the findings of these reports conclude that:

- The JARC program is meeting its mission of providing low income persons with transportation to entry-level job opportunities.
- The cost-per-ride of JARC services is comparable to other public transit services and the annual program cost of the JARC program compares favorably to other Federal grant programs designed to improve employment opportunities for low income persons.
- The JARC program produces tangible economic benefits to users of the services and the public at large and the annual monetary value of the program's benefits exceeds the annual program costs under most scenarios.
- The JARC program may also produce long-term benefits for users. By providing greater mobility to low income workers who are in the early stages of their work life, the JARC program provides opportunity for workers to access job training and education programs, along with jobs that offer higher wages and benefits than could otherwise be reached without the program, and this initial access to benefits translates into higher wages and wage growth over time.
- Participants in the coordinated public transit human service transportation planning process, which is a requirement under the JARC program, indicated that this process resulted in improvements in service coordination, greater public involvement in the planning process, greater leveraging of transportation funds, and improvements to the level and quality of transportation services provided under the JARC program.

FTA continues to evaluate the JARC program and anticipates that additional reports evaluating the program will be published in 2009.

The Effectiveness of Recipients Making Grants to Subrecipients

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) continued the JARC program with a number of important changes that have impacted the ability of recipients to make grants to subrecipients. The most notable change was the requirement for states and urbanized areas with populations of over 200,000 persons to designate a recipient for JARC funds, competitively select projects for funding, and certify that selected projects were derived from a locally developed coordinated public transit human services transportation plan.

Prior to the passage of SAFETEA-LU, Congress directed most of the JARC program funding to specific projects and recipients in the conference reports accompanying the annual appropriations acts, and directed FTA to honor those designations. While some of the congressionally-designated recipients, primarily the State Departments of Transportation, passed funding through to subrecipients, most of the recipients instead used the JARC program funds to provide transportation services to their areas.

JARC program funding under SAFETEA-LU increases the likelihood that designated recipients will pass through funds to intended subrecipients. JARC funds intended for projects in large urbanized areas are apportioned to a designated recipient in that area (usually a local

transit authority or a metropolitan planning organization). This designated recipient can receive funds for its own projects through the program's competitive selection process or can pass through funds to subrecipients serving its metropolitan area. JARC funds intended for projects in small urbanized areas and non-urbanized areas are first apportioned to the States. After the State selects service providers through a competition, the State can transfer the funds to a service provider and allow the provider to apply directly to FTA for program funds, which may expedite the time it takes for the provider to receive Federal funding. Alternately, the State can apply to FTA for funds apportioned to it and pass through these funds to subrecipients serving small urbanized areas or nonurbanized areas.

FTA continues to provide guidance and technical assistance to help recipients implement the program expediently. On March 29, 2007, FTA published FTA's final guidance on the JARC program, contained in Circular 9050.1, "Job Access and Reverse Commute (JARC) Program Guidance and Application Instructions." FTA is also providing assistance through the National Joblinks Employment Transportation Initiative, known as Joblinks. This initiative is funded by U.S. Department of Transportation and the U.S. Department of Labor, and provides a national peer-to-peer network that links local agencies with experienced practitioners familiar with the human services and workforce development environments and knowledgeable about special client transportation needs. Through Joblinks, communities can receive access to technical assistance and training specialists who can provide solid problem solving technical support, particularly in the areas of coordinating client transportation resources and operations, marketing, system start-up and financing, human resource management, and developing accessible services. Joblinks also supports an on line information center that connects individuals to employment transportation news, resources and ideas. Joblinks is administered by Community Transportation Association of America (CTAA).

Conclusion

While the funding mechanisms and administrative features of the JARC program have evolved over time, the objectives of the program (to provide transportation solutions that connect low income workers to economic opportunity, and to provide reverse commute services for the general public) remain the same. The U.S. Department of Transportation and FTA remain committed to these objectives and are working closely with program stakeholders to implement the program. If you have any questions or would like additional information on this topic, please feel free to contact FTA directly at (202) 366-4040 or Ms. Susan E. Schruth, FTA Associate Administrator for Program Management, at (202) 366-4020.