GROW AMERICA Act

Surface Transportation Reauthorization: Public Transportation Priorities
Overview

• GROW AMERICA Act Priorities
• FTA’s Reauthorization Priorities
• Highlights of New Programs and Modifications to Existing Programs Under MAP-21
• Paying for the GROW AMERICA Act
GROW AMERICA Act

- A four-year, $302 billion surface transportation authorization to replace MAP-21, which expires September 30, 2014.
- Invests $72 billion in public transportation over 4 years—nearly a 70% increase over MAP-21.
- Builds on MAP-21 priorities and strengthens commitment to safety, state-of-good-repair, efficiency, performance, and underserved populations.
- Addresses the challenges of a nation expected to grow by 100 million residents by 2050.
FTA’s Reauthorization Priorities

- Significant “bump” in funding with new opportunities to modernize, expand bus and bus facilities, and grow bus rapid transit (BRT).
- Increases our commitment to drive down $86 billion transit maintenance backlog and address state-of-good-repair needs among bus and rail systems.
- Streamlines and accelerates regional transportation investments through better coordination among federal, state, and planning stakeholders.
FTA’s Reauthorization Priorities

- Creates new ladders of opportunity for the American workforce by enhancing access to training in high-tech, operations, and construction jobs within the transit industry.
- Protects American jobs and domestic manufacturing by strengthening Buy America requirements over the four year GROW AMERICA Act period.
### Highlights of Program Changes

<table>
<thead>
<tr>
<th>New</th>
<th>Modified</th>
<th>Repealed or Consolidated</th>
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</thead>
</table>
| • Fixing and Accelerating Surface Transportation Program (5602)  
• Rapid Growth Area Transit Program (5341)  
• Local Hiring Provisions | • Bus and Bus Facilities (5339)  
• State of Good Repair (5337)  
• Human Resources and Training (Workforce Development) (5322)  
• Metropolitan Transportation Planning (5303)  
• Enhanced Mobility of Seniors and Individuals with Disabilities (5310)  
• Formula Grants for Rural Areas (5311)  
• Public Transportation Safety (5329) | • No MAP-21 programs are repealed or consolidated in the proposed GROW AMERICA Act |
<table>
<thead>
<tr>
<th>Program Funding Levels Over Time</th>
<th>FY 2014 Enacted</th>
<th>FY 2015 President’s Budget</th>
<th>GROW AMERICA TOTAL (FY 15-18)</th>
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<tbody>
<tr>
<td><strong>TRANSIT FORMULA GRANTS (TF)</strong></td>
<td></td>
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<td></td>
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<tr>
<td>Transit Oriented Development</td>
<td>10,000,000</td>
<td>10,234,449</td>
<td>42,500,791</td>
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<td>Planning Programs</td>
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<td>131,819,706</td>
<td>547,410,195</td>
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<td>Urbanized Area Formula Grants</td>
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<td>Enhanced Mobility of Seniors and Individuals with Disabilities</td>
<td>258,300,000</td>
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<td>Formula Grants for Rural Areas</td>
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<td>Bus Testing Facility</td>
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<td>National Transit Institute/Public Transit Institute</td>
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<td>National Transit Database</td>
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<td>State of Good Repair Grants</td>
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<td>23,216,000,000</td>
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<td>Bus and Bus Facilities Grants</td>
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<td>Growing States and High Density States Formula</td>
<td>525,900,000</td>
<td>538,229,684</td>
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<td>Administrative Expenses 1/</td>
<td>105,933,000</td>
<td>114,400,000</td>
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<td><strong>CAPITAL INVESTMENT GRANTS (GF/TF) 2/</strong></td>
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<td><strong>TRANSIT RESEARCH AND TRAINING (GF/TF)</strong></td>
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<td>Workforce Development</td>
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<td><strong>EMERGENCY RELIEF PROGRAM 3/ (TF)</strong></td>
<td>0</td>
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<td><strong>FAST (TF)</strong></td>
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<td><strong>RAPID GROWTH AREA TRANSIT PROGRAM (TF)</strong></td>
<td>NA</td>
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<td><strong>TOTAL</strong></td>
<td>$10,841,871,000</td>
<td>$17,649,400,000</td>
<td>$72,337,400,000</td>
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1/ Administrative Expenses under Transit Formula Grants account in FY 2015. Was previously funded from General Fund.
2/ FY 2014 enacted level assumes using at least $190 million of prior year balances to fully fund President’s request of $2.132 billion.
3/ Represents balance of funds available after sequestration and transfers.
Fixing and Accelerating Surface Transportation (FAST)

• $500 million in competitively awarded grants to state and local governments with innovative approaches to solving transportation problems.

• Foster more effective, coordinated investments in regional transportation priorities.

• Modeled after Dept. of Education’s “Race to the Top.”

• Jointly administered with $500 million requested annually by FHWA ($1 billion annual total program).
Rapid Growth Area Transit

- $500 million competitive discretionary grant program would quickly establish bus rapid transit (BRT) service in areas with rapidly growing populations.
- Streamlined project evaluation criteria related to population and ridership growth and financial capacity to operate current and expanded service.
- Encourages multi-modal solutions to better integrate BRT with other existing, planned transit options.
- 50% local match to encourage early and sound local financial commitment.
- Up to 80% federal share by using FHWA funds as local match.
Local Hiring

• The proposal supports local hiring as an effective way to help men and women obtain local jobs and job training on federally funded transportation projects.

• Opportunities targeted in areas with high unemployment.

• Ensures local workers are given preference to participate on local transportation construction projects.

• Creates ladders of economic opportunity in underserved areas.
Bus and Bus Facilities

• Current program funds construction, replacement and rehabilitation of buses and related facilities.

• Proposal increases funding by 354% from FY2014-FY2015, dramatically improving the ability to modernize the nation’s bus fleets. (70% formula/30% discretionary)

• Transit agencies may also compete for discretionary resources for large capital bus projects.

• Addresses funding shortfall and technical deficiencies in bus programs under MAP-21.
Enhanced Mobility of Seniors and Individuals with Disabilities

• Current program funds mobility programs for seniors and persons with disabilities.

• Grants could now be made directly to local government entities, removing the requirement to pass through a designated recipient first.

• The change would streamline the grant awards process, alleviate delays, and serve riders more efficiently.
Rural Areas Program

• Current program provides capital, planning, and operating assistance for transit service implemented by states in rural areas.

• Proposal increases funding to tribes in recognition of serious need for additional transit service to low-income, rural residents.

• Each eligible recipient of tribal formula funds will receive a minimum of $20,000 annually.
Public Transportation Safety

• FTA continues to implement safety authority authorized by MAP-21. Proposed changes:
  – An opt-out provision from the State Safety Oversight program in states with fixed-guideway transit systems below a certain size or ridership level.
  – FTA may impose civil penalties for violations of safety regulations, and criminal penalties for willful violations.
  – The Secretary would gain emergency authority to issue orders to restrict or prohibit an unsafe condition or practice on transit systems.
Workforce Development (Transit Research & Training)

• Current program supports innovative efforts to train a new generation of transportation workers.

• Proposal creates:
  – New Ladders of Opportunity program that expands support for transit-focused workforce development programs that give priority to minorities, women, individuals with disabilities, veterans, and other groups.
  – Public Transit Institute to deliver training courses to emerging transit workforce.
  – Authority would allow recipients under sections 5307, 5337, and 5339 to use a percentage of funds for these activities.
High-Performing MPOs

• Current Metropolitan Planning Organization (MPO) framework does not emphasize or reward regionally coordinated investments and planning.

• Incentivizes MPOs in large urban areas to coordinate and increase their technical capacity to undertake a performance-based approach linking investments to improvements in safety, infrastructure, congestion, and other factors.
State of Good Repair

• Current program provides two years of predictable, needs-based formula funds for transit’s state-of-good-repair needs.

• Proposal significantly increases program funds by 164% percent from FY2014 to FY2015 to address an $86 billion maintenance backlog that continues to grow.

• This level of investment is necessary to tackle the U.S. infrastructure deficit.
Buy America

- Current program ensures that certain content and final assembly of bus and rail systems are domestically sourced—preserving and creating American manufacturing jobs.
- Proposal gradually increases the domestic content requirement for manufacturing rolling stock components and subcomponents to 100% by 2019.
- The change would strengthen domestic manufacturing and innovation.
Paying for the GROW AMERICA Act

- The President proposes renaming the Highway Trust Fund to a new Transportation Trust Fund (TTF), which will fund highways, transit, rail, and TIGER projects.
- The TTF will provide a source of predictable funding for surface transportation at an appropriate level for the next four years.
- The TTF will be capitalized with revenues from pro-growth tax reform will supplement the gas tax as a means of financing long-term critical investments in our nation’s transportation infrastructure.
America Must Address the Infrastructure Deficit

• The Highway Trust Fund will run out of money as early as this summer.

• Let your Congressional representatives know that America cannot afford to disinvest in its infrastructure—and deny future generations of the mobility we need to grow and compete.

• We need a multi-year reauthorization that will provide a reliable source of funding to put thousands to work rebuilding America.