

# ***Consolidate Federal Transit Programs***

## ***What's Best for Michigan***

Consolidate federal transit programs into the following six areas:

1. Operations and Access
2. System Preservation and Renewal
3. Congestion Relief and Metro Mobility
4. Enhancements/Quality of Life
5. Research and Planning
6. Administration

## **Why**

With the passage of SAFETEA-LU there are now 53 federal transit programs, many of which focus on smaller specialized services. The expansion of these specialized services limits the flexibility of state and local governments to deliver other public transportation projects and services. In addition, the next federal transportation authorization needs to take action to address the cost of compliance with the numerous federal transit reporting requirements and provide capital and operating assistance to meet those requirements and to help transit providers address costs that are beyond their ability to control.

The consolidation of smaller specialized services into broader categories will expedite program implementation, improve overall user services, and allow recipients to leverage funding for similar purposes. Examples of recommended changes include:

- Streamline the current federal grant approval process to expedite project delivery and reduce routine project costs. Streamline the reporting process by making all reports due annually instead of quarterly.
- Preserve the 80% federal match for capital investments, New Starts, and transit formula funding.
- For federal transit programs, preserve the “needs based” approach and increase funding to address unmet needs.
- Provide operating assistance for urbanized transit systems (5307) that operate less than 100 buses in urbanized areas with a population greater than 200,000.
- Retain core programs (5307 and 5311), but consolidate the Job Access and Reverse Commute, New Freedom funding, and eligible program activities into Section 5307 and 5311 formula programs. Allow the states to transfer Job Access and Reverse Commute and New Freedom funding and eligible program activities to Section 5310 if needed.
- Retain and streamline the Fixed Guideway Modernization program (replace the seven-tier apportionment formula with a two-tier formula).
- Streamline and simplify the New Starts program (see Broaden New Starts Qualifications position paper).
- Retain separate set asides from the research program.