CTAA's

Surface Transportation Reauthorization Priorities

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Every five to six years, Congress reauthorizes the nation’s surface transportation laws. The Community Transportation Association of America (CTAA) and its more than 1,400 members have always viewed these moments as key opportunities to improve transportation policy, increase transit investment and right-size regulations. The upcoming (Sept. 30, 2020) expiration of the FAST Act represents the next occasion for CTAA and its members to make their voices and opinions heard. This document is a collection of these legislative recommendations.

What you see in these pages — organized by transit provider type and by topic — is a collection of legislative concepts that come directly from CTAA’s provider members, as well as from our key partners at State Departments of Transportation and state and regional transit associations. The Association’s Board Legislative Committee helped craft, and then approved, the document prior to its initial publication.

Legislation as complex and large as the nation’s surface transportation policy is rarely stagnant — and takes time to develop. As the various key Congressional committees and their members and staff begin to move their version’s of surface transportation bills, CTAA fully expects to have to further modify the ideas contained in these pages, and we’ll do so in consultation with our members and leaders. In other words, don’t be surprised to see changes and additions to this document in the coming months.

We are always interested in hearing from our valued members. Do not hesitate to email or call me directly to share your suggestions, concerns and ideas as we work collectively to shape the nation’s surface transportation law in the most positive ways possible for CTAA members, the communities they serve and the passengers they transport.

All the Best,

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About Reauthorization

The Community Transportation Association of America (CTAA), and its more than 1,400 members across the country, believes that a robust, predictable and sustainable reauthorization of the FAST Act — which expires Sept. 30, 2020 — is the top transportation legislative and policy priority for Congress and the Administration. This reauthorization is an opportunity to pivot the nation’s surface transportation policy in a new direction that is inclusive of emerging technologies, changing public demand and much-needed new transportation investment streams.

From the broadest perspective, CTAA and its members would like to see the following from FAST Act reauthorization:

- A five-to-six year surface transportation reauthorization
- Growth in the Highway Trust Fund’s Mass Transit Account through increased transportation investment streams
- Key transit formula programs (Sections 5307, 5310, 5311 and 5339) funded fully out of the Highway Trust Fund’s Mass Transit Account
- Continuation of the proven-successful federal/state/local transit funding partnership
- Predictable, steady growth in key formula programs (Sections 5307, 5310, 5311 and 5339) throughout the reauthorization
- Common-sense, risk-based regulatory reform
- Incorporation of new transit service delivery modes
Surface Transportation Investment

CTAA and its members fully understand that the major challenge for passage of the past three surface transportation reauthorization bills has been the lack of Congressional and Administration support to increase revenues by raising the federal gas tax. We believe that the wisest path forward is to raise the federal gas tax in a responsible, incremental way in this reauthorization while also beginning the transition to more sustainable funding mechanisms like vehicle miles traveled (VMT) concepts. Specifically, CTAA and its members believe:

- Congress and the Administration should agree to a modest, responsible increase in the federal gas tax, along with indexing the rate, to raise the needed revenue to support the nation’s dire surface transportation infrastructure investment needs

- Vehicle miles traveled concepts — in either pilot or initial phases — must be launched in FAST Act reauthorization to take into account electric vehicle usage

- Vehicle miles traveled concepts must not disproportionately impact volunteer drivers and rural parts of the nation where residents must travel further to access work, education, health care and other vital activities

- Provisions must be made in FAST Act reauthorization to allow critical Mass Transit Account-funded programs (Sections 5307, 5310, 5311 and 5339) to smoothly flow during any future federal government shutdown scenario

- Any concept that reduces the federal role in transit investment, or that promises to move transit programs out of the trust fund is damaging to the transit industry and to the communities and passengers who rely on these services
Rural (5311) and Tribal Transit

CTAA’s members include most of the nation’s 1,400 rural public transit systems and many of its 126 tribal public transit systems. Rural and tribal transit programs are a diverse and essential part of the nation’s transit network, connecting workers with jobs, assuring mobility for older adults and individuals with disabilities, linking people with necessary health care, providing mobility for low-income and middle-class families alike, and more. Because America’s communities with populations under 50,000 are so diverse, rural and tribal transit systems are a showcase of transportation innovation, partnership and creativity. CTAA and its members would like to see the following from FAST Act reauthorization:

- Providing predictable, sustainable, and steadily increasing growth in FTA Section 5311 funding for both rural and tribal transit
- Allowing an increased federal share for Section 5311 rural and tribal projects in areas of economic distress, unusually high concentrations of transit dependency, or shortages of locally available health care
- Assuring sustained, incrementally increasing federal support for planning and launching tribal and rural transit services in currently unserved areas
- Allowing CMAQ-assisted transit projects in rural (and urban) areas to continue for as long as those areas remain in Clean Air Act non-attainment status
- Streamlining of regulatory, funding, NTD reporting and other requirements that impede coordination of Section 5307 and 5311 funding within transit agencies
- Making permanent the current deferral of Section 5311-funded transit agencies from FTA’s bus safety regulations
- Clarifying that rural and tribal demand-response public transit is not restricted under FTA’s charter service regulations
• Simplifying how rural and tribal transit providers may include transportation services for elementary and secondary students as part of an open-door public transit program
• Permanently excluding standard production vans, minivans and sedans from Buy America requirements
• Applying Buy America requirements to all public transit revenue vehicles whose unit costs exceed the prevailing simplified acquisition threshold
• Allowing all recipients of FTA operating assistance, including rural and tribal transit providers, to claim the value of volunteer drivers as in-kind match for their FTA funds
• Authorizing FTA rural and tribal transit providers to reimburse their volunteers’ expenses at the IRS business mileage rate without incurring a tax liability for the volunteer
Small-Urban (5307) Transit

CTAA currently has nearly 150 of the nation’s 350 small-urban (50,000 to 200,000 population) areas as members and it is one of the Association’s fastest growing membership groups. Small-urban transit providers typically serve their communities with fixed-route operations and many of our members provide highly productive transit services in college towns. CTAA’s small-urban members are also exploring new on-demand service modes, bus rapid transit and autonomous shuttles.

In the small-urban arena, CTAA and its members would like to see the following from FAST Act reauthorization:

- Predictable, sustainable growth in Section 5307 and Section 5339 investment
- Increasing the Section 5307 set-aside in the Small Transit Intensive Cities (STIC) program to 3 percent (HR 3758)
- The inclusion of CNG, propane and other low and no-emission vehicles into the Section 5339 competitive Low/No grant program, and not just electric buses
- Right-sized and risk-based regulatory reform to include the potential of less involved, more productive oversight reviews; common sense application of DBE/MBE target setting; NTD and safety planning streamlining; and more
- Targeted new/pilot projects addressing emerging applied technology in small cities
- Provide streamlined - or waived, where allowable - reporting, procedural and administrative requirements for Section 5307 recipients operating 10 or fewer vehicles in maximum service.
Specialized (5310) Transit

Nearly one in five of all CTAA operating members rely on funding from FTA’s Section 5310 program to provide valuable transportation services for older adults and individuals with disabilities who aren’t being served by more conventional public transit and paratransit programs. Section 5310 helps fund the acquisition of buses and vans and other capital assets that help make transportation more accessible to these populations, helps support mobility management and travel training programs, and helps expand the reach of transit to these priority populations beyond the geographic scope of other public transit services. To be most responsive to the public transportation-related mobility needs of older adults and individuals with disabilities in the 21st century, CTAA and its members would like to see the following from FAST Act reauthorization:

- Continuing to provide predictable, sustainable, and steadily increasing growth in FTA Section 5310 funding
- Setting the federal share for Section 5310 projects at the same rates as comparable Section 5311 (rural) and 5307 (urban) transit grants, including increased federal share of grants that match the sliding scale rate in states with high amounts of federal lands, along with any other adjustments or flexibility that is available in the federal share of Section 5311 or 5307 projects
- Removing the 55 percent rule that has limited the ability of states and urban recipients to use their local coordinated planning processes when deciding whether to fund Section 5310 capital projects, accessibility enhancements, mobility management, or other eligible activities, based on local needs and priorities
- Continuing to allow Section 5310 funds to be used for either capital assistance or operating assistance, as per the project priorities locally identified in recipients’ coordinated planning processes
- Having rural Section 5310 projects comply with FTA’s statutes and policies for its Section 5311 rural transit grants, rather than the terms and conditions of FTA urban transit grants
• Continuing to exempt those transportation entities for whom Section 5310 is their sole source of FTA assistance from FTA's urban public transit safety rules, its national transit asset management system, reporting to the National Transit Database, and from the scope of FTA's charter service regulations

• Permanently excluding standard production vans, minivans and sedans from Buy America requirements

• Applying Buy America requirements to all public transit revenue vehicles whose unit costs exceed the prevailing simplified acquisition threshold

• Allowing all recipients of FTA operating assistance, including Section 5310-funded transit providers, to claim the value of volunteer drivers as in-kind match for their FTA funds

• Authorizing FTA Section 5310-funded transit providers to reimburse their volunteers’ expenses at the IRS business mileage rate without incurring a tax liability for the volunteer
Non-Emergency Medical Transportation

Non-emergency medical transportation (NEMT) — whether under the auspices of a federal program like Medicaid, Medicare or the VA, or operated directly with a health care provider — is a critical and growing segment of the public transportation industry. A variety of health care trends are increasing the vital role of NEMT. What follows are our legislative priorities with regards to NEMT — please note that while many of these items are not directly connected with surface transportation reauthorization, the recommendations below would have a significant impact on existing transit systems.

- Protect the non-emergency transportation benefit in the Medicaid program
- Move the Medicaid non-emergency benefit directly into the program's statutes (HR 3935)
- Expand the role of transportation and mobility in the Medicare program through Medicare Advantage programs
- Enhance rural transit’s role in connecting residents with substance abuse treatment and recovery services
- Connect veterans (particularly rural veterans) with VA-supported health care services
- Through new transit programs and pilots, establish service delivery models for rural and small urban transit to work directly with hospitals, clinics and other health care providers
Dedicated Bus and Bus Facilities Investment

The passage of 2012’s MAP-21 surface transportation reauthorization cut dedicated bus and bus facilities capital by more than half. Ever since, CTAA and its members have been working to provide members access to the investment they need to recapitalize their operations. Recent success notwithstanding, too many transit operators continue to operate buses beyond their useful life.

Here are CTAA members’ recommendations for surface transportation reauthorization regarding dedicated bus and bus facilities:

- Recent federal appropriations have raised dedicated bus and bus facilities capital (Section 5339) above authorized levels, acknowledging the dire need for additional investment — these figures should constitute the new floor for FAST Act reauthorization levels
- Increase the state set aside in Section 5339 to $3 million per year, per state
- Include CNG, propane and other low and no-emission vehicles into the Section 5339 competitive Low/No grant program, and not just electric vehicles
- Raise the end-of-life fair market value of transit buses and vehicles to a fixed percentage of their purchase price
- Provide incentives for both vehicle manufacturers and operators to be able to procure the full suite of safety technology currently available in private automobiles (warning sensors, automated braking, etc.)
Regulations

CTAA’s members understand that transit safety, equity, and proper stewardship of public dollars and transit assets requires some ongoing rules and requirements. Out of our commitment to do what is right for transit users, transit providers and the compelling federal interest, CTAA and its members have identified the following improvements in FAST Act reauthorization that will help promote a properly managed, safe and equitable public transit program:

- Harmonizing regulatory, funding, NTD reporting and other requirements to better fit the ever-increasing situations when transit agencies receive funding from two or more FTA programs, such as when they receive both Section 5307 and 5311 funding.
- Making permanent the current deferral of Section 5311-funded transit agencies from FTA's urban bus safety regulations, and making sure these rules are not applied to Section 5310 subrecipients.
- Applying a risk-based approach to FTA’s triennial reviews of its urban grantees, so that low-risk grantees need only to receive a desk review, and thus allowing FTA to focus its oversight mechanisms where they’re needed to help address challenges experienced by higher-risk grantees.
- Arranging the schedules and scopes of triennial and state management reviews so that recipients of both Section 5307 and state-managed grants don’t receive conflicting results from these reviews, and so that these grantees don’t experience a state management review and a triennial review at the same time.
- Fine-tuning the applicability of FTA’s charter service regulations to Section 5310 and 5311 recipients, including clarity that rural and tribal demand-response public transit is not restricted under FTA’s charter service regulations, and that other activities that programmatically are part of a public transit operation are not proscribed under these rules.
• Making it easier for rural and tribal transit providers to include transportation services for elementary and secondary students as part of an open-door public transit program
• Permanently excluding standard production vans, minivans and sedans from Buy America requirements
• Applying Buy America requirements to all public transit revenue vehicles whose unit costs exceed the prevailing simplified acquisition threshold
• Having rural Section 5310 projects comply with FTA’s statutes and policies for its Section 5311 rural transit grants, instead of subjecting these rural subrecipients to the terms and conditions of FTA urban transit grants
• Continuing to exempt those transportation entities for whom Section 5310 is their sole source of FTA assistance from FTA’s urban public transit safety rules, its national transit asset management system, reporting to the National Transit Database, and from the scope of FTA’s charter service regulations
• Allowing all recipients of FTA operating assistance, including rural and tribal transit providers, to claim the value of volunteer drivers as in-kind match for their FTA funds
• Authorizing FTA rural and tribal transit providers to reimburse their volunteers’ expenses at the IRS business mileage rate without incurring a tax liability for the volunteer
• Establishing a new tier for FTA transit providers, Tier 3, that operate 10 or fewer vehicles in peak service, to included reduced regulatory burden included with staff and budget size
• Provide streamlined - or waived, where allowable - reporting, procedural and administrative requirements for Section 5307 recipients operating 10 or fewer vehicles in maximum service
Innovation and Mobility-On-Demand

The confluence of real-time scheduling technologies, smart phones, advanced fare payment systems, autonomous vehicles and radically changing customer expectations has created a dynamic environment for CTAA members, rife with equal parts opportunity and challenge. FAST Act reauthorization is the ideal time to address this emerging new mobility environment and provide the resources, regulations and support to help CTAA members, their communities and their passengers. Here’s how this can best be accomplished:

- Continue investment in the Rural and Small Urban Transit Applied Technology Technical Assistance Center
- Continue FTA sandbox program investment where new service, technology and data concepts can be tried and tested
- Provide investment and incentives for transit system service redesign concepts focused on improving ridership and on outcome-based metrics like health care and employment
- Develop pilot AV program funding and investment for smaller transit agencies to cost effectively explore these options
- Assist smaller transit agencies with both partnership and deployment opportunities of ride-hailing service models
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