

## FTA Allocates Latest Round of COVID Relief to States, Transit Agencies

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While many of us were watching the calendar shift from 2020 into 2021, the Federal Transit Administration (FTA) was working diligently to divvy up \$14.0 billion of additional COVID-19 relief to every qualifying state, urbanized area and tribal nation. Those apportionments were announced on January 11, 2021 (you can read FTA's announcement, with links to the detailed apportionment tables, at <https://www.transit.dot.gov/about/news/us-transportation-secretary-elaine-l-chao-announces-14-billion-support-nations-public>), and FTA then proceeded to host some webinars within which to explain more about these allocations and the COVID-related transit provisions of last month's "Coronavirus Response and Relief Supplemental Appropriations Act of 2021" (CRRSAA), which the president signed into law on December 27, 2020.

**It's important to note that Congress – not FTA – developed the funding formulas used to allocate this round of transit relief funding. Legislative language gave FTA specific directives about what data to use and how to apply these statutory formulas in apportioning funds, with no room for interpretation or discretion on FTA's part.**

In many ways, the COVID transit relief funds allocated under CRRSAA are similar to the \$25 billion that had been allocated under the CARES Act of March 2020 — but this latest round of funding also represents a marked departure from its predecessor. Similar to the CARES Act, these CRRSAA transit funds can be used for up to 100 percent of recipients' transit operating costs, and do not have any time-limited period of availability.

Here's some of what is different under this latest round of COVID relief funding for transit:

- **The overwhelming majority of FTA Section 5307 and 5311 recipients stand to receive no additional funding at all from these allocations.**
  - CRRSAA's urban transit dollars will flow to 140 urbanized areas, leaving no additional relief for 72 percent of the nation's urbanized areas.
  - CRRSAA's rural transit funds flow only to 22 states and possessions, which means that 59 percent of the states and possessions with rural population are not receiving any rural transit relief funding under CRRSAA.
- Unlike the CARES Act, this legislation provides \$50.0 million of COVID transit relief for Section 5310 grantees that's allocated among all states and urbanized areas.
- In general, CRRSAA transit funds may be used for assisting with various transit operating expenses related to the COVID-19 public health emergency; while the CARES Act allowed its funds to be used for any eligible activities under FTA's Section

5307 and 5311 programs, some uses of CRRSAA funds to assist with capital expenses or for operating costs not associated with the pandemic may require a certification that the recipient has not furloughed any employees.

- CRRSAA places a not-entirely-binding retroactive priority on the use of CARES Act transit funding for transit payroll and operating expenses.
- The Section 5311(f) intercity bus set-aside requirement does not apply to rural transit funds awarded under CRRSAA.
- Under the CRRSAA, all “regular” Section 5310 funds that aren’t already obligated may be used for up to 100 percent of project costs (in other words, local match requirements are waived for regularly appropriated Section 5310 grants that are obligated after December 27, 2020).
- Section 5310-related projects using CRRSAA funds will have to be derived from coordinated public transit-human services transportation plans. Otherwise, though, CRRSAA-funded urban and rural transit operations projects do not need to be incorporated in TIPs, STIPs or long-range transportation plans (as was true for CARES-funded transit operations projects, as well).

### Who Gets What Under this Round of COVID Relief Funding?

Urban and rural transit allocations under the CRRSAA are capped, based on how much each urbanized area and state reported to the National Transit Database (NTD) in 2018 operating costs, and then applying that cap to both the CARES Act and the CRRSAA. No urbanized area can receive more than 75 percent of its reported 2018 operating expenses in combined CARES and CRRSAA funding, and no state can receive more than 125 percent of its reported 2018 rural transit operating expenses in combined CARES and CRRSAA funding. Those states and urbanized areas that received more CARES funding than their 2018 rural or urban transit operating expenses receive nothing under CRRSAA’s rural and urban transit allocations.

Here’s some summary information on these allocations.

#### **Urbanized areas with populations over 1 million (\$12.3 billion allocated under CRRSAA for large-urban public transit)**

- 39 of these 42 urbanized areas receive CRRSAA urban transit allocations, ranging from Memphis’ \$6.6 million to \$5.6 billion for the New York City-Newark UZA.
- The three largest UZAs that do not receive any CRRSAA urban transit funding are Providence RI, Riverside – San Bernardino CA, and San Diego CA.
- All 42 of these urbanized areas receive modest allocations of CRRSAA “Section 5310” funding, of which \$20.4 million is distributed among them.

#### **Urbanized areas with populations between 200,000 and 1 million (\$745.5 million allocated under CRRSAA for medium-urban public transit)**

- 62 of these 138 UZAs (45%) receive CRRSAA urban transit allocations, ranging from \$224,351 for the Santa Clarita CA UZA to \$91.6 million for Honolulu.
- 76 of these UZAs do not receive any CRRSAA urban transit funding.

- All 138 of these UZAs receive modest allocations of CRRSAA “Section 5310” funding, of which \$9.6 million is distributed among them.

**Urbanized areas with populations below 200,000 (\$208.6 million allocated under CRRSAA for small-urban public transit)**

- 39 of these 320 UZAs (12%) receive CRRSAA urban transit allocations, ranging from \$33,452 for Walla Walla to \$32.2 million for Waterbury CT.
- 281 of these UZAs do not receive any CRRSAA urban transit funding.
- The 51 states and possessions in which all 320 of these small UZAs are located receive modest allocations of CRRSAA “Section 5310” funding (CRRSAA provides \$10.0 million in small-urban Section 5310 relief funding).

**Rural areas (\$648.2 million allocated under CRRSAA for rural public transit)**

- There are 22 qualifying states and territories, whose allocations range from Oklahoma’s \$387,479 to Washington State’s \$164.0 million.
- 32 states and possessions with rural areas do not receive any CRRSAA rural transit funding.
- All 54 states and possessions with rural populations receive modest allocations of CRRSAA “Section 5310” funding (CRRSAA provides \$10.0 million in rural Section 5310 relief funding).

**Tribal transit CRRSAA funding: \$30.0 million is allocated among all 129 current tribal transit formula grantees.**

**What’s Next?**

This month, we mark the one-year anniversary of the COVID-19 public health emergency. The pandemic continues to present unprecedented challenges to public transportation across rural and urban America, and these challenges are not likely to disappear right away. Toward that end, CTAA recently sent out a short COVID-19 survey to its rural and urban transit operating members. The purpose of this important survey is to gather information and data to support prioritizing small urban and rural transit in any further pandemic stimulus package that the incoming Congress and presidential administration may propose.

While it’s possible that regular annual appropriations, plus last year’s addition of funds under the CARES Act, are all that’s needed in rural and small-urban transit, CTAA and its membership believe that far too many states and urbanized areas continue to have needs that must be addressed through legislation, yet were left completely out of this winter’s round of funding. That’s why CTAA is counting on its members to respond to that brief survey and speak up about their needs and challenges, both now and in the months to come.