

Investments in Rural Transit Act of 2020

Senator Tina Smith (D-Minn.) and Senator Mike Rounds (R-S.D.)

Rural transit systems provide a lifeline for students, employees, seniors, and people with disabilities across the country. Residents in rural communities rely on public transit to connect with job opportunities and access healthcare services, especially in communities with high poverty rates, many older Americans, or in extremely rural areas.

The Federal Transit Administration provides grants to support public transportation in rural areas through the Section 5311 program. These grants are critical to helping local public transportation operators fund maintenance, repairs, and new acquisitions. The grants can also be used for operating assistance—to help cover the cost of operating local bus routes, paratransit, or other on demand mobility services—but at a lower federal share. Many rural communities across the country lack the financial resources to provide such a large local contribution for operating assistance, and therefore cannot qualify for the federal grant. To reduce barriers to public transit in these areas, the *Investments in Rural Transit Act* would increase the federal contribution for operating assistance in rural areas.

The *Investments in Rural Transit Act* would increase the federal share to eighty percent for operating assistance in certain areas with high transit dependency. For a transit project to qualify, it must serve a county that meets one of the following criteria:

1. **An “area of persistent poverty,”** defined by the Census as a county in which at least 20% of the population has lived in poverty during the most recent 30 year period.
2. **A county with many older Americans,** where at least 25% of residents are over the age of sixty five.
3. **A county with healthcare shortages,** defined as a Health Professional Shortage Area (HPSA) by the Health Resources & Services Administration (HRSA).
4. **A county with low population density,** defined as having no more than 20 people per square mile, based on Census data.

Endorsing organizations: Community Transportation Association of America (CTAA), National League of Cities (NLC), Association of Minnesota Counties,