

Public  
Policy  
Institute of  
California



FEDERAL FORMULA GRANTS  
AND CALIFORNIA

# Federal Transit Assistance Programs

Tim Ransdell  
Shervin Bolorian

---



## About This Series

### Federal Formula Grants and California

The federal government uses formula grants to distribute more than \$400 billion annually to state and local governments to help them implement federal policies in such areas as health, transportation, and education. How much each government receives is determined by complex formulas that consist of many factors such as state population growth and per capita income. This series of reports provides detailed information on California's current and historical funding under the major federal grants and on the formulas used to determine California's share of funding under various specific grants.

All reports are posted on the PPIC website at [www.ppic.org](http://www.ppic.org).



# Contents

Overview . . . . .	1
Background . . . . .	4
Formula Data Sources . . . . .	7
Census Data: Urbanized Areas versus Metropolitan Areas . . . . .	7
The National Transit Database . . . . .	13
FTA’s Withholding of NTD Data Complicates Formula Calculations . . . . .	15
Transit Formula Grant Structure Under TEA-21 . . . . .	15
Urbanized Area Formula Program . . . . .	17
Small Urbanized Areas . . . . .	17
Large Urbanized Areas . . . . .	19
Nonurbanized Area Formula Grants . . . . .	21
Elderly and Persons with Disabilities Formula Program . . . . .	22
Clean Fuels Formula Program . . . . .	23
Capital Investment Grants and Loans . . . . .	24
Fixed Guideway Modernization Program . . . . .	25
New Starts (Section 5309) Transit Projects . . . . .	26
Bus and Bus-Related (Section 5309) Discretionary Program . . . . .	27
Other TEA-21 Transit Provisions . . . . .	28
Flex Funding . . . . .	29
Proposals for Reauthorizing TEA-21 . . . . .	30
President Bush’s SAFETEA Proposal . . . . .	31
The Administration’s UAF Performance Incentive Proposal . . . . .	31
The Administration’s Capital Investment Grant Consolidation . . . . .	32
The House Bill: TEA-LU . . . . .	33
TEA-LU: Formula Programs . . . . .	34
TEA-LU: Capital Investment Grant Programs . . . . .	37
TEA-LU: Other Provisions . . . . .	38
The Senate Bill, SAFETEA (S. 1072) . . . . .	39
The Senate Bill: Formula Programs . . . . .	41
The Senate Bill: Capital Investment Grants . . . . .	44
The Senate Bill: Changes to the CMAQ Highway Program . . . . .	45
Conclusion . . . . .	46

**Appendix**

A.	Abbreviations and Acronyms . . . . .	49
B.	Federal Transit Administration Formula Programs Funding, Total U.S. Funding and Percentage Breakdown by Program and Year, with Adjustments for Set-Asides, Fiscal Years 2002–2004 . . . . .	51
C.	Urbanized Area Formula Program (Sec. 5307) Apportionments, Fiscal Years 2003 and 2004 . . . . .	53
D.	Nonurbanized Area Formula Program (Sec. 5311), Apportionments by State, Fiscal Years 2001–2004 . . . . .	59
E.	Elderly and Persons with Disabilities Formula Program (Sec. 5310), Apportionments by State, Fiscal Years 2002–2004 . . . . .	63
F.	Fixed Guideway Modernization Program (Sec. 5309), Apportionments, Fiscal Years 2003 and 2004 . . . . .	67
G.	Job Access and Reverse Commute Program, Allocations by State, Fiscal Years 2003 and 2004 . . . . .	71
H.	Tables Related to Provisions Proposed in Bush Administration SAFETEA Bill: Proxy Tables to Assess Effect of Creating an Incentive Tier for the Urbanized Area Formula Program . . . . .	75
I.	Tables Related to Provisions Proposed in House-Passed TEA-LU Bill (H.R. 3550) . . . . .	81
J.	Tables Related to Provisions Proposed in Senate-Passed SAFETEA Bill (S. 1072) . . . . .	85

**Web-Only Appendix**

*Web-only appendix is available at [http://www.ppic.org/content/pubs/R\\_904TRR\\_appendix.pdf](http://www.ppic.org/content/pubs/R_904TRR_appendix.pdf)*

K.	California Discretionary Allocations from the New Starts Capital Investment Program	
----	--	--

# Tables

1.	TEA-21 Authorization Levels, Federal Transit Administration, Guaranteed Funding Only, All Programs, 1998–2003 . . . . .	6
2a.	Federal Transit Assistance Formula Apportionments, California and the United States, Under ISTEA . . . . .	8
2b.	Federal Transit Assistance Formula Apportionments, California and the United States, Under TEA-21 . . . . .	9
3.	Total Component Funding, TEA-21 and Successor Proposals . . . . .	10
4.	Urbanized Area Formula Program Apportionments, California and the United States, Fiscal Years 2003 and 2004 . . . . .	18
5.	FTA Funding Amounts Proposed in House TEA-LU Bill (H.R. 3550), Fiscal Years 2004–2009 . . . . .	35
6.	FTA Funding Amounts Proposed in Senate SAFETEA Bill (S. 1072), Programs as Defined in TEA-21, Fiscal Years 2004–2009 . . . . .	40
B.1.	Federal Transit Administration Formula Programs Funding, Total U.S. Funding and Percentage Breakdown by Program and Year, with Adjustments for Set-Asides, Fiscal Years 2003–2004 . . . . .	52
C.1a.	Urbanized Area Formula Program, Apportionments to Urbanized Areas in Excess of 200,000 in Population, by State, Fiscal Years 2003 and 2004 . . . . .	54
C.2a.	Urbanized Area Formula Program, Apportionments to Urbanized Areas with 50,000–199,999 in Population, by State, Fiscal Years 2003 and 2004 . . . . .	56
D.1.	Nonurbanized Area Formula Program, Apportionments by State, Fiscal Years 2001–2004 . . . . .	60
E.1.	Elderly and Persons with Disabilities Formula Program, Apportionments by State, Fiscal Years 2002–2004 . . . . .	64
F.1a.	Fixed Guideway Modernization Program, Apportionments by State, Fiscal Years 2003 and 2004 . . . . .	68
G.1.	Job Access and Reverse Commute Program, Allocations by State, Fiscal Years 2003 and 2004 . . . . .	72
H.1a.	Proxy Table to Assess Effect of Creating an Incentive Tier for the Urbanized Area Formula Program as Proposed in Bush Administration SAFETEA Bill, Total and Percentage Change in Annual Passenger Miles, 1997–2001 . . . . .	76
H.1b.	Proxy Table to Assess Effect of Creating an Incentive Tier for the Urbanized Area Formula Program as Proposed in Bush Administration SAFETEA Bill, Total and Percentage Change in Operating Expenses per Passenger Mile, 1997–2001 . . . . .	78
I.1.	Formula Program Apportionments, Actual and Predicted Amounts, with Program Allocation Percentage Mixture as	

	Proposed in House-Passed TEA-LU Bill (H.R. 3550), by State, Fiscal Year 2004 . . . . .	82
J.1a.	FTA Funding Amounts Proposed in Senate-Passed SAFETEA Bill (S. 1072), Programs as Defined in TEA-21, Fiscal Years 2004–2009 . . . . .	86
J.1b.	FTA Funding Amounts Proposed in Senate-Passed SAFETEA Bill (S. 1072), Programs as Defined in Bill, Fiscal Years 2004–2009 . . . . .	88
J.2.	Formula Program Apportionments, Actual and Predicted Amounts, with Program Allocation Percentage Mixture as Proposed in Senate-Passed SAFETEA Bill (S. 1072), by State, Fiscal Year 2004 . . . . .	89

## Web-Only Tables

*Web-only tables are available at <http://www.ppic.org/main/dataset.asp?i=511>*

C.1b.	Urbanized Area Formula Program, Apportionments to Urbanized Areas in Excess of 1 million in Population, by Urbanized Area, Fiscal Years 2003 and 2004
C.1c.	Urbanized Area Formula Program, Apportionments to Urbanized Areas Between 200,000 and 1 million in Population, by Urbanized Area, Fiscal Years 2003 and 2004
C.2b.	Urbanized Area Formula Program, Apportionments to Small Urbanized Areas (population 50,000–199,999), by Urbanized Area, Fiscal Years 2003 and 2004
F.1b.	Fixed Guideway Modernization Program, Apportionments by Urbanized Area, Fiscal Year 2003
F.1c.	Fixed Guideway Modernization Program, Apportionments by Urbanized Area, Fiscal Year 2004
F.2a.	New Starts, Allocations by State, Fiscal Years 2003 and 2004
F.2b.	New Starts, Allocations by Project, Fiscal Year 2003
F.2c.	New Starts, Allocations by Project, Fiscal Year 2004
F.3a.	Bus and Bus-Related Discretionary Program, Allocations by State, Fiscal Years 2003 and 2004
F.3b.	Bus and Bus-Related Discretionary Program, Allocations by Project, Fiscal Year 2003
F.3c.	Bus and Bus-Related Discretionary Program, Allocations by Project, Fiscal Year 2004
G.2a.	Job Access and Reverse Commute Program, Allocations by Project, Fiscal Year 2003
G.2b.	Job Access and Reverse Commute Program, Allocations by Project, Fiscal Year 2004



- H.1.c. Proxy Table to Assess Effect of Creating an Incentive Tier for the Urbanized Area Formula Program (as Proposed in Bush Administration SAFETEA Bill), Total and Percentage Change in Annual Operating Expenses, 1997–2001
- I.2. Nonurbanized Area Formula Program, Apportionments to States, Comparison of Current Law with Formula Change (Increased Weight to Sparsely Populated States) Proposed in House TEA-LU Bill (H.R. 3550), Fiscal Year 2004
- I.3. Elderly and Persons with Disabilities Formula Program, Apportionments by State, Comparison of Current Law with Formula Change (Increased Weight to Sparsely Populated States) Proposed in House TEA-LU Bill (H.R. 3550), Fiscal Year 2004
- I.4a. Capital Investment Program Earmarks: Bus and Bus Related Program Allocations, as Proposed in House TEA-LU Bill (H.R. 3550), by State, Fiscal Years 2005–2007
- I.4b. Capital Investment Program Earmarks: Bus- and Bus Related Program Allocations, as Proposed in House TEA-LU Bill (H.R. 3550), California Projects, Fiscal Years 2005–2007
- I.5a. Capital Investment Program Earmarks: New Starts Full Funding Grant Agreement (FFGA) Allocations, as Proposed in House TEA-LU Bill (H.R. 3550), by State, Fiscal Years 2004–2009
- I.5b. Capital Investment Program Earmarks: New Starts Full Funding Grant Agreement Allocations, as Proposed in House TEA-LU Bill (H.R. 3550), California Projects, Fiscal Years 2005–2009
- J.3. Nonurbanized Area Formula Program, Apportionments to States, Comparison of Current Law with Formula Change (80% Population, 20% Area) Proposed in Senate-passed SAFETEA Bill (S. 1072), Fiscal Year 2004



# Federal Transit Assistance Programs

Tim Ransdell and Shervin Bolorian

September 2004

*This report refers to two types of tables: text tables and web-only tables. The latter provide greater detail on particular issues and are available at <http://www.ppic.org/main/dataset.asp?i=511>. There is also a web-only appendix (Appendix K) available at [http://www.ppic.org/content/pubs/R\\_904TRR\\_appendix.pdf](http://www.ppic.org/content/pubs/R_904TRR_appendix.pdf).*

## Overview

Transit serves an important niche function in the nation's surface transportation system.<sup>1</sup> After several decades of declining interest in public transit, many regional planners and elected officials have begun to take a greater interest in the transit alternative. Although private vehicles still account for the large majority of passenger trips, transit ridership has begun to rebound, funding levels have risen, and transportation plans in major metropolitan areas have devoted increased attention and interest to the role transit can play. Federal clean air requirements have driven many transportation officials to devote more attention to transit's potential. Proponents, who more commonly represent urban than rural areas, argue that transit promotes efficiency, mobility, pollution abatement, congestion reduction, and economic stimulus.

The nation's last major surface transportation law, enacted in 1998, was the Transportation Equity Act for the 21st Century or TEA-21. The law authorized the spending of \$41 billion—\$36 billion of which was statutorily guaranteed—for transit assistance programs for fiscal years 1998 through 2003.<sup>2</sup> TEA-21 increased federal transit aid by 50 percent above the funding totals provided by that law's predecessor, the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA).<sup>3</sup>

---

<sup>1</sup>This report employs the term transit. Interchangeable terms include mass transportation, mass transit, rapid transit, public transportation, and public transit.

<sup>2</sup>Throughout this report, unless otherwise noted, discussion of individual years or ranges of years refers to federal fiscal years, which run from October 1 through September 30.

<sup>3</sup>See Appendix A for a list of abbreviations and acronyms used in this report.

Nevertheless, federal spending for transit assistance, which flows from the Federal Transit Administration (FTA), represents only one-fifth of the federal surface transportation dollars that are apportioned to state and local governments. The lion's share of federal financial support for transportation continues to flow as road and highway spending through the Federal-Aid Highway Program (FAHP), administered by the Federal Highway Administration (FHWA).<sup>4</sup>

As with highway construction, the building of transit corridors and facilities is typically a multiyear venture and requires major capital investment by state and local planning agencies. For nearly a century, federal highway law has recognized this need for certainty in the flow of funding, and federal transit laws have ensured this since 1982. Today, both highway and transit programs benefit from budgetary firewall protections, whereby taxes from the sale of gasoline and other transportation-related items are held in a special account—the Highway Trust Fund (HTF)—which is dedicated exclusively to transportation spending. Funds held in the HTF are immune from being tapped to underwrite other federal priorities and are largely shielded from the uncertainties of Congress's normal annual budgeting processes. Federal highway spending is supported by disbursements from the Highway Account of the HTF, whereas federal transit programs are sustained primarily by the Mass Transit Account (MTA) of the HTF, with supplementary funding sometimes available from nonguaranteed general fund sources.<sup>5</sup>

In 2003, total FTA spending for transit assistance programs totaled \$7.2 billion, all of which was guaranteed.<sup>6</sup> TEA-21 expired on September 30, 2003, without Congress having reauthorized it, but temporary extension bills have kept TEA-21's provisions operational.<sup>7</sup> With the extensions, Congress maintained

---

<sup>4</sup>For details regarding FAHP formula grant programs and California's share of FAHP apportionments, see Tim Ransdell and Shervin Bolorian, *Federal Formula Grants and California: Federal Highway Programs*, Public Policy Institute of California, San Francisco, California, February 2003, available at <http://www.ppic.org/main/publication.asp?i=467>.

<sup>5</sup>Historically, the guaranteed MTA has provided approximately 80 percent of federal transit funding, with approximately 20 percent derived from the general fund. Under TEA-21, however, FTA received almost entirely guaranteed spending.

<sup>6</sup>For 2003, TEA-21 provided that FTA was authorized to receive a total of \$8.194 billion in transit assistance from the trust and general funds, with \$7.226 billion of this amount guaranteed under TEA-21's discretionary spending cap. In the 2003 omnibus appropriations bill, Congress elected to provide only the guaranteed amount. In addition, after applying a 0.65 percent across-the-board spending reduction to all programs funded by the omnibus bill, total new spending for FTA programs was reduced to \$7.179 billion. See *Consolidated Appropriations Resolution, 2003*, Public Law 108-7, February 20, 2003.

<sup>7</sup>On September 30, 2003, President Bush signed H.R. 3087, the *Surface Transportation Extension Act of 2003* (23 U.S.C. 104 note; 117 Stat. 1110), which extended transportation authorization through February 29, 2004. H.R. 3783, the *Surface Transportation Extension Act of 2004* (Public Law 108-88), which the president signed on February 28, 2004, extended the programs through April 30, 2004. H.R. 4219, the *Surface Transportation Extension Act of 2004, Part II*, Public Law 108-224, approved by the House on April 28 and the Senate on April 29, extended programs through June 30, 2004. H.R. 4635, the *Surface Transportation Extension Act of 2004, Part III*, Public Law 108-263, was signed on June

highway and transit spending in 2004 at approximately the same level as in 2003.<sup>8</sup>

California is a largely urbanized state, has relatively high population density in its urbanized areas, and houses four of the largest transit system operators in the nation. All of these facts help the state capture a relatively large share of federal formula grant funding for transit, particularly of the largest of these—the Urbanized Area Formula (UAF) program.<sup>9</sup> Conversely, California’s population living in nonurbanized areas is relatively small, so the state receives a small share of funding from the Nonurbanized Area Formula (NAF) program. As discussed below, the administration’s proposal and both the House and Senate bills would expand NAF, at the expense of UAF.

California’s statewide transit ridership parallels the national average, and the state houses 12 percent of the nation’s population who commute to work using public transit. However, ridership is greater in some areas within California.<sup>10</sup>

The state and the urbanized areas contained within it received \$761 million in FTA apportionments in 2003, 15.2 percent of the nation’s \$5 billion total apportionment. The state receives its largest funding share from the UAF.

The two major types of transit assistance are “formula grants” and “capital investment grants,” each of which contains several subcomponents with different

---

30, 2004, and extended programs through July 31, 2004. Before leaving for the August 2004 recess, Congress approved a fifth extension, the *Surface Transportation Extension Act of 2004, Part IV*, to maintain federal highway and transit funding through September 30, 2004.

<sup>8</sup>Highway and transit program expenditures for the portion of 2004 covered by the extension bills are slightly greater than in 2003 because the across-the-board spending reduction in the 2004 omnibus appropriations bill was slightly less than that in the comparable 2003 bill. Whereas the 2003 bill reduced spending on all programs by 0.65 percent, the reduction in the 2004 bill was 0.59 percent. As a result, total FTA transit assistance expenditures were \$7.179 billion for 2003 and \$7.183 billion for 2004.

<sup>9</sup>In addition, California’s high incidence of air pollution in urbanized areas translates to a large share of FHWA funding for the Congestion Mitigation and Air Quality Improvement program (CMAQ), which many states—California included—use to support transit.

<sup>10</sup>A Census Bureau report released on March 2, 2004, found that 5 percent of California workers used public transit daily in 2000, whereas 87 percent commuted via automobile, truck, or van. Of 128.6 million workers nationwide, 6.4 million (5%) used public transit. California ranked eighth in the survey, although its 5 percent transit use level matched the national average. California represented 11.7 percent of the nation’s total workers who commuted using public transit.

Among cities, New York City was the nation’s most transit-intensive, with 55 percent of commuters using public transit. Among California’s large cities, transit use was highest in San Francisco, where 396,000 persons (31%) commuted using public transportation. Transit use was 12 percent in the City of Los Angeles. However, the figure was considerably lower for Los Angeles County where just 7 percent of the county’s 4.1 million commuters used public transit. Among other larger California cities, transit use percentages were 13 percent for Oakland; 7 percent for Long Beach; 5 percent for Santa Ana; 4 percent for Sacramento, San Diego, and San Jose; 3 percent for Bakersfield and Stockton; 2 percent for Fresno and Riverside; 1 percent for Anaheim; and 0 percent for Visalia. See U.S. Census Bureau, *Journey to Work: 2000*, Census 2000 Brief C2KBR-33, Washington, D.C., March 2004, available at <http://www.census.gov/prod/2004pubs/c2kbr-33.pdf>.

allocation methods.<sup>11</sup> Each type of program, outlined in detail below, supports a separate series of activities and may be used for specified purposes.<sup>12</sup> A number of other, smaller transit accounts help recipients with planning, research, and human services activities and provide for FTA administrative costs.

## Background

Accompanying TEA-21's increase in transit spending was a 22 percent increase in transit ridership in the six years since the law's enactment<sup>13</sup> and an increased willingness by state and local governments and private funders to shoulder greater fiscal investments in public transportation. Although the transportation sector's programmatic and financial muscle still belongs to the ubiquitous highway- and road-building programs, transit funding has grown considerably in recent years, a development some attribute to increased funding under ISTEA and TEA-21.

Rail and transit system ridership surged after the Second World War but fell sharply shortly afterward with the proliferation of automobiles and the nation's focus on major road and highway construction projects. Federal commitment to transit began in 1961 with the passage of the *Housing and Urban Development Act*, which provided the first installment of loans and demonstration funding grants for transit projects, and this commitment expanded considerably with enactment of the Urban Mass Transportation Act of 1964 (UMTA).

After humble beginnings—federal transit assistance totaled \$43 million in 1961—transit had evolved by the 1970s into a \$3.1 billion grant program. After the *Federal Public Transportation Act of 1982* established the MTA component of the HTF, Congress delivered transit its first source of dedicated revenue, a one-cent share of gas tax revenue.<sup>14</sup> As it now stands, the MTA portion of the federal motor fuels tax has reached 2.86 cents per gallon, with its last increase provided in 1997.

---

<sup>11</sup>Congress and the FTA treat the Fixed Guideway Modernization program as a capital investment program, but the FTA distributes funds to recipients by using a formula.

<sup>12</sup>Projects funded by both program categories typically use the 80/20 federal-state matching ratio in use for Federal-Aid Highway Programs, whereby the maximum federal share of project costs is 80 percent and the remainder must come from nonfederal sources. That ratio is lowered to 50/50 for some grants, including the small urbanized area component of the UAF, NAF, and Job Access and Reverse Commute (JARC) programs.

<sup>13</sup>American Public Transportation Association (APTA), Washington, D.C., available at <http://www.apta.com/media/facts.cfm>.

<sup>14</sup>Title III of the *Surface Transportation Assistance Act of 1982* (49 U.S.C. 2305) directed one cent out of a five-cent increase in the gas tax to the Mass Transit Account.

Federal transit assistance grants help states and local governments and transit agencies with capital construction expenses and operating costs. Most FTA transit assistance falls into one of two categories: formula grants or capital investment grants. The former generally provides for capital expenses or operating assistance to a state or regional transportation agency or a substate intermediary to implement local transit priorities. The latter provides direct funding for fixed guideway purposes or for financing specific projects.

In TEA-21, Congress guaranteed total spending of \$36 billion in federal support for the nation's transit programs between fiscal years 1998 and 2003. See Table 1, which includes all transit spending, both apportioned (formula) and allocated (discretionary).<sup>15</sup> Nearly three-fourths of those dollars were apportioned by formula, and nearly half—\$17.3 billion over six years—were guaranteed for one program: the Urbanized Area Formula program. TEA-21 guaranteed \$6 billion for each of two other programs, Fixed Guideway Modernization and New Starts (both capital grants programs), and another \$3 billion for the Bus and Bus-Related Capital Grants program. The other transit program to receive more than \$1 billion during TEA-21's expected lifetime was the Nonurbanized Area Formula program, guaranteed at \$1.2 billion.

For 2003, the final year of its initial authorization, TEA-21 guaranteed that FTA would receive a total of \$7.2 billion.<sup>16</sup>

As with most federal programs, California received more federal transit spending than any other state under both TEA-21 and ISTEA before it. As shown in Tables 2a and 2b, which details transit formula program spending in the two laws' six-year periods, the state received \$3.8 billion (14.8%) of the total U.S. spending of \$25.8 billion under TEA-21. The amount was an increase in both total dollars and percentage share of federal transit formula funding from ISTEA; California received \$3.1 billion (13.9%) of the nation's \$22.6 billion total expenditures between 1992 and 1997.

Of the nation's \$7.2 billion in total FTA funds in 2003, \$5 billion was spent for transit assistance programs that were distributed to states by formula. California received \$762 million (15.2%) of the nation's transit formula amount.

---

<sup>15</sup>For a discussion of formula versus discretionary funding, see Tim Ransdell, *Federal Formula Grants and California: Factors Determining California's Share of Federal Formula Grants, Second Edition*, Public Policy Institute of California, San Francisco, California, February 2004, available at <http://www.ppic.org/main/publication.asp?i=484>.

<sup>16</sup>The TEA-21 guaranteed 2003 total of \$7.226 billion would later be reduced to \$7.183 in ultimately appropriated FTA expenditures because a 0.59 percent across-the-board spending reduction was applied to all nondefense discretionary programs by the fiscal year 2003 omnibus appropriations bill that provided funding for the Department of Transportation and most other federal agencies.

Table 1  
TEA-21 Authorization Levels, Federal Transit Administration, Guaranteed Funding Only, All Programs, 1998–2003

Appropriation/Program	1998	1999	2000	2001	2002	2003	Total, 1998–2003
UAF	\$2,298,852,727	\$2,548,190,791	\$2,772,890,281	\$2,997,316,081	\$3,220,601,506	\$3,445,939,606	\$17,283,790,992
NAF	134,077,934	177,923,658	193,612,968	209,283,168	224,873,743	240,607,643	1,180,379,114
EPD	62,219,389	67,035,601	72,946,801	78,850,801	84,724,801	90,652,801	456,430,194
Clean Fuels Formula	0	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	250,000,000
Over-the-Road Bus Accessibility	0	2,000,000	3,700,000	4,700,000	6,950,000	6,950,000	24,300,000
Alaska Railroad	4,849,950	4,849,950	4,849,950	4,849,950	4,849,950	4,849,950	29,099,700
Bus and Bus Related	400,000,000	451,400,000	490,200,000	529,200,000	568,200,000	607,200,000	3,046,200,000
Fixed Guideway Modernization	800,000,000	902,800,000	980,400,000	1,058,400,000	1,136,400,000	1,214,400,000	6,092,400,000
New Starts	800,000,000	902,800,000	980,400,000	1,058,400,000	1,136,400,000	1,214,400,000	6,092,400,000
JARC	0	50,000,000	75,000,000	100,000,000	125,000,000	150,000,000	500,000,000
Metropolitan Planning	39,500,000	43,841,600	49,632,000	52,113,600	55,422,400	60,385,600	300,895,200
State Planning and Research	8,250,000	9,158,400	10,368,000	10,886,400	11,577,600	12,614,400	62,854,800
National Planning and Research	32,750,000	27,500,000	29,500,000	29,500,000	31,500,000	31,500,000	182,250,000
Rural Transit Assistance	4,500,000	5,250,000	5,250,000	5,250,000	5,250,000	5,250,000	30,750,000
Transit Cooperative Research	4,000,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000	45,250,000
National Transit Institute	3,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	23,000,000
University Transportation Centers	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	36,000,000
Administrative Expenses	45,738,000	54,000,000	60,000,000	64,000,000	67,000,000	73,000,000	363,738,000
FTA total	4,643,738,000	5,315,000,000	5,797,000,000	6,271,000,000	6,747,000,000	7,226,000,000	35,999,738,000

SOURCE: Federal Transit Administration.

NOTE: Actual appropriations and apportionments vary annually, and some programs were not funded.



As this report goes to print, TEA-21 continues to govern transit spending despite the fact that it expired months earlier. The House and Senate have each approved proposals to reauthorize the law, and conferees are working to resolve differences and produce a compromise package. One primary source of disagreement has been the total amount of overall highway and transit spending authorized for 2004 through 2009. As shown in Table 3, the White House proposed a bill to spend \$256 billion over the six-year period and threatened to veto any measure that spent more, the Senate passed a bill to provide \$319 billion, and—after nearly adopting a much pricier package—the House approved a \$284 billion package.

## Formula Data Sources

Federal transit assistance programs address a different set of transportation priorities than do federal highway programs, and they benefit a different, primarily urban, constituency. As such, equity and need are measured using different formula factors than are used for highway programs, and transit programs employ separate distribution structures, allocation elements, and (in many cases) grant recipient designations.<sup>17</sup> The two primary data sources for FTA apportionments are the Decennial Census and the National Transit Database.

### ***Census Data: Urbanized Areas versus Metropolitan Areas***

Unlike many formulas that distribute money first to states for redistribution to substate recipients, FTA distributes most transit assistance directly to targeted regions. Federal transportation law requires that the Census Bureau create a unique geographic area to be the locus for highway and transit spending and that each area form an organization to administer the funds.

Thus, the Census Bureau sets the boundaries of areas—termed urbanized areas—slated to receive transit assistance payments. In each area, the recipient is a transportation planning agency known as a Metropolitan Planning Organization (MPO)—a planning body charged with making decisions regarding the area’s transportation programming and system development. The Census Bureau, FTA, and FHWA designate all urbanized areas with populations greater than 200,000 as Transportation Management

---

<sup>17</sup>A series of flexible funding options, discussed below, allow recipients to shift funds from core FAHP to support transit projects.

**Table 2a**  
**Federal Transit Assistance Formula Apportionments, California and the United States, Under ISTEA**

Program	1992	1993	1994	1995	1996	1997	Total, ISTEA (1992-1997)
			<b>California (\$ thousands)</b>				
CIP—Fixed Guideway Modernization		318,825	55,555	532,908	214,551	162,497	1,284,136
Metropolitan Planning		7,715	7,041	7,046	6,632	6,794	35,228
UAF	306,475	297,070	230,321	410,092	243,913	278,890	1,766,761
NAF	4,619	4,387	6,184	6,331	5,175	6,446	33,142
Elderly and Persons with Disabilities (EPD)		4,392	5,447	5,466	4,700	5,150	25,155
State Planning and Research		1,650	1,284	1,284		1,256	5,474
Transit Assistance Programs total	311,094	634,039	305,632	963,127	474,971	461,033	3,149,896
			<b>United States (\$ thousands)</b>				
CIP—Fixed Guideway Modernization		1,714,636	1,531,823	2,559,235	1,693,609	1,699,143	9,198,446
Metropolitan Planning		44,223	39,991	41,017	39,063	41,079	205,373
UAF	2,140,902	1,756,857	1,968,946	2,392,832	1,855,958	1,983,690	12,099,185
NAF	117,244	111,221	141,651	161,606	121,475	131,922	785,119
EPD		47,218	56,567	57,114	50,738	53,483	265,120
State Planning and Research		55,795	8,273	8,491		8,798	81,357
Transit Assistance Programs total	2,258,146	3,729,950	3,747,251	5,220,295	3,760,843	3,918,115	22,634,600
			<b>California Share of U.S. (%)</b>				
CIP—Fixed Guideway Modernization		18.59	3.61	20.82	12.67	9.56	13.96
Metropolitan Planning		17.45	17.61	17.18	16.98	16.54	17.15
UAF	14.32	16.91	11.70	17.14	13.14	14.06	14.60
NAF	3.94	3.94	4.37	3.92	4.26	4.89	4.22
EPD		9.30	9.63	9.57	9.26	9.63	9.49
State Planning and Research		2.96	15.52	15.12		14.28	6.73
Transit Assistance Programs total	13.78	17.00	8.16	18.45	12.63	11.77	13.92

SOURCES: Federal Transit Administration; U.S. Office of Management and Budget, *Budget Information for States*, various fiscal years; internal calculations.

NOTES: Programs included in this table are those distributed in whole or in part by formula and listed in the U.S. Office of Management and Budget report, *Budget Information for States*, distributed annually until 2002. U.S. totals exclude undistributed funds, technical assistance, and other funds not geographically identified. Indian tribe funding is included in the U.S. total but is not attributed by state. Metropolitan Planning funds were termed "Technical Studies, Sec. 8" before 1998.

Table 2b  
Federal Transit Assistance Formula Apportionments, California and the United States, Under TEA-21

Program	1998	1999	2000	2001	2002	2003	Total, TEA-21 (1998–2003)	Total, All Years: ISTEA and TEA-21
				California (\$ thousands)				
CIP—Fixed Guideway Modernization	253,343	93,675	97,432	107,855	125,267	146,247	823,819	2,107,955
Metropolitan Planning	7,792	7,429	8,463	8,895	9,490	9,509	51,578	86,806
UAF	371,906	412,584	466,864	468,318	532,084	583,623	2,835,378	4,602,139
RTAP	147	160	140	153	154	145	899	899
NAF	6,238	8,350	8,253	9,577	10,553	10,269	53,239	86,381
EPD	5,780	6,024	6,869	7,447	9,435	10,075	45,630	70,785
State Planning and Research	1,301	1,403	1,572	1,658	1,773	1,850	9,557	15,031
Transit Assistance Programs total	646,507	529,625	589,593	603,903	688,754	761,718	3,820,100	6,969,996
			United States (\$ thousands)					
CIP—Fixed Guideway Modernization	1,653,168	838,296	980,400	1,058,400	1,125,583	1,194,525	6,850,372	16,048,818
Metropolitan Planning	40,934	41,076	49,642	52,114	55,663	60,443	299,872	505,245
UAF	2,052,026	2,465,147	2,883,373	2,926,160	3,207,052	3,411,902	16,945,660	29,044,845
RTAP	4,626	5,064	5,250	5,250	5,271	5,217	30,678	30,678
NAF	130,002	182,671	198,443	205,486	226,410	238,955	1,181,967	1,967,086
EPD	58,558	64,359	72,947	78,851	84,930	90,166	449,812	714,932
State Planning and Research	8,318	8,722	10,375	12,805	11,699	12,643	64,562	145,919
Transit Assistance Programs total	3,947,632	3,605,335	4,200,430	4,339,066	4,716,608	5,013,852	25,822,924	48,457,524
			California Share of U.S. (%)					
CIP—Fixed Guideway Modernization	15.32	11.17	9.94	10.19	11.13	12.24	12.03	13.13
Metropolitan Planning	19.04	18.09	17.05	17.07	17.05	15.73	17.20	17.18
UAF	18.12	16.74	16.19	16.00	16.59	17.11	16.73	15.84
RTAP	3.18	3.16	2.67	2.91	2.92	2.78	2.93	2.93
NAF	4.80	4.57	4.16	4.66	4.66	4.30	4.50	4.39
EPD	9.87	9.36	9.42	9.44	11.11	11.17	10.14	9.90
State Planning and Research	15.64	16.09	15.15	12.95	15.16	14.63	14.80	10.30
Transit Assistance Programs total	16.38	14.69	14.04	13.92	14.60	15.19	14.79	14.38

SOURCES: Federal Transit Administration; U.S. Office of Management and Budget, *Budget Information for States*, various fiscal years; internal calculations.

NOTES: Programs included in this table are those distributed in whole or in part by formula and listed in the U.S. Office of Management and Budget report, *Budget Information for States*, distributed annually until 2002. U.S. totals exclude undistributed funds, technical assistance, and other funds not geographically identified. Indian tribe funding is included in the U.S. total but is not attributed by state. Metropolitan Planning funds were termed "Technical Studies, Sec. 8" before 1998. Totals may not sum exactly because of rounding.

**Table 3**  
**Total Component Funding, TEA-21 and Successor Proposals**  
(\$ billions)

	TEA-21	White House	House	Senate
Highways	172	206	226	256
Safety	5	6	6	6
Transit	41	44	52	57
Total	218	256	284	319

NOTE: Includes guaranteed and nonguaranteed funding.

Areas (TMAs).<sup>18</sup> In turn, MPOs receive and manage funds for designated TMAs.<sup>19</sup>

Whereas urbanized areas and metropolitan areas (also known as Metropolitan Statistical Areas or MSAs) are similar in concept, the two differ considerably as a practical matter. An urbanized area typically houses a population of more than 50,000 people with a population density of more than 1,000 people per square mile, and the definition does not depend on city, county, or regional boundaries. On the other hand, county lines generally define the boundaries of MSAs, which thereby often incorporate sparsely as well as densely populated census tracts.<sup>20</sup> The dynamic is particularly prevalent in California, where counties tend to span relatively large land areas.

The distinction between urbanized areas and MSAs is important for this discussion because transit assistance payments depend in part on population counts and population density statistics that are calculated by urbanized area rather than by MSA.

The Los Angeles area provides an illustrative example. The Los Angeles–Long Beach–Riverside Combined Metropolitan Statistical Area (CMSA)<sup>21</sup>

<sup>18</sup>For fiscal year 2003, the population variable was the 2000 Decennial Census. Until 2002, the areas were defined by the 1990 Decennial Census. See “Designation of Transportation Management Areas,” *Federal Register*, Volume 67, Number 130, Washington, D.C., July 8, 2002.

<sup>19</sup>The Federal Surface Transportation Assistance Act of 1973 required the formation of MPOs in urbanized areas of 50,000 or more. TMAs with populations of 200,000 or more receive federal transit formula funds directly. California state law also provides for the allocation of some nonfederal transportation funds to MPOs.

<sup>20</sup>The general concept of a metropolitan area includes a large population nucleus, together with adjacent communities having a high degree of social and economic integration with that core and comprising one or more entire counties (except in New England, where cities are the primary geographic components). See U.S. Office of Management and Budget, *Standards for Defining Metropolitan and Micropolitan Statistical Areas*, Washington, D.C., December 27, 2000, published in the *Federal Register* (65 FR 82228 - 82238).

<sup>21</sup>CMSAs (formerly termed consolidated metropolitan statistical areas) house a population of more than one million residents and include more than one Primary Metropolitan Statistical Area (PMSA) within its boundaries.

includes three component MSAs (the Los Angeles–Long Beach–Santa Ana MSA, the Oxnard–Thousand Oaks–Ventura MSA, and the Riverside–San Bernardino–Ontario MSA) and five counties (Los Angeles, Orange, Ventura, San Bernardino, and Riverside). San Bernardino County (the nation’s largest county in number of square miles) represents approximately half of the land area of the Los Angeles–centered metropolitan area, but much of that, including the Mojave Desert, is sparsely populated or uninhabited. The Riverside–San Bernardino–Ontario MSA (comprising San Bernardino and Riverside Counties) houses 1.2 million people and 27,260 square miles, a ratio of just 119 people per square mile. By including San Bernardino County as well as Riverside County (the eastern half of which is also sparsely populated) in the Los Angeles–Long Beach–Riverside CMSA, the area’s 16.4 million people are deemed to live in an area covering 33,955 square miles. In contrast, the Los Angeles–Long Beach–Santa Ana urbanized area includes most of those residents—a total population of 11.8 million—but in the space of only 1,668 square miles. Thus, the population density of the larger MSA for Los Angeles is 482 residents per square mile, whereas the population density of the geographically more compact urbanized area with Los Angeles at its core is 7,068 residents per square mile—a larger number by nearly fifteenfold. In fact, the Los Angeles urbanized area’s population density is nearly three times greater than that of Los Angeles County (which also comprises the Los Angeles–Long Beach MSA), where 9.5 million people reside in a land area of 4,061 square miles, resulting in a population density of 2,344 persons per square mile.

California’s second-largest urbanized area is San Francisco–Oakland, where 3.2 million people live within just 527 square miles, resulting in a similarly dense ratio of 6,130 persons per square mile. In contrast, the San Diego urbanized area’s 2.7 million people are dispersed across 782 square miles, for a population density of 3,419 persons per square mile.

The Riverside–San Bernardino area is the greatest California beneficiary of FTA’s use of urbanized areas for formula calculations. The area’s 1.5 million residents are deemed to reside in an urbanized area covering just 439 square miles, yielding a population density of 3,434 residents per square mile, a number nearly 30 times greater than would result if the measurement used the county line parameters of the MSA.<sup>22</sup>

Californians are considerably more likely than residents in other states to live in an urbanized area—88.6 percent of the state’s population compared to 68.6

---

<sup>22</sup>The Sacramento area also benefits substantially from FTA’s use of the urbanized area factor. The Sacramento urbanized area houses 1.4 million people in 370 square miles (3,776 persons per square mile), whereas the 1.6 million residents of the Sacramento MSA (Sacramento County) are spread across 4,286 square miles (399 persons per square mile), and the larger Sacramento-Yolo CMSA houses 1.8 million residents in 5,309 square miles (353 residents per square mile).

percent of the U.S. population—a fact that increases the state’s share of federal transit funding. California’s 30 million urbanized area residents represent 15.3 percent of the total urbanized population nationwide.

The Census Bureau collects and calculates population figures for urbanization only decennially; it publishes no intercensal estimates. As a result, apportionments for most transit formula programs become increasingly out of date as each decade wears on. FTA first used data from the 2000 Census to apportion funding for fiscal year 2003. Data for urbanized areas from the 2000 Census were not yet available when FTA apportioned funds for fiscal year 2002 in January of that year, so funding for 2002 was distributed using 1990 Census data that was then 12 years old.

Some urbanized areas include portions of more than one state. For example, Chicago includes portions of Illinois and Indiana, and Washington, D.C., includes portions of Maryland and Virginia in addition to the District of Columbia. In fact, more of the New York–Newark (New York–New Jersey–Connecticut) urbanized area land is located in New Jersey than in the state of New York, but New York accounts for two-thirds of the area’s population. According to the 2000 Census, the only multistate urbanized area in California was Yuma, Arizona, where 93,855 people lived on the Arizona side and 1,095 on the California side. To accommodate multistate urbanized areas, the formula first apportions funding without regard to state lines, and then reapportions the area’s total funding according to the same criteria used for the initial apportionment.

According to the Department of Transportation (DOT), transit formula programs are the only federal grants that apportion funds to specific urbanized areas. Other agencies—such as FHWA, the Environmental Protection Agency (EPA), and the Department of Health and Human Services (HHS)—distribute urban-focused formula grant funding to states according to their metropolitan area populations.<sup>23</sup>

Although FTA uses the urbanized area definitions employed by the Census Bureau, it is permitted to expand the definition and boundaries somewhat.<sup>24</sup> FHWA does so for programs it administers, creating “Federal-Aid Urbanized Areas” covering larger land areas than those designated by the Census Bureau and including (in addition to census areas) “transportation centers, shopping centers, major places of employment, satellite communities, and other major trip

---

<sup>23</sup>See U.S. Department of Transportation, Federal Transit Administration, *The Urbanized Area Formula Program and the Needs of Small Transit Intensive Cities*, Report Number FTA-TBP10-00-04, Washington, D.C., September 2000.

<sup>24</sup>49 U.S.C. 5302(a)(17) defines an urbanized area as “at least” a Census Bureau-designated urbanized area and allows for an area to be “within boundaries fixed by state and local officials and approved by the Secretary [of Transportation].”

generators near the edge of the urbanized area, including those expected to be in place shortly.”<sup>25</sup>

The 2000 Census identified 405 urbanized areas nationwide (in the 50 states, the District of Columbia, and Puerto Rico). California contained six large urbanized areas with populations in excess of one million persons, 14 medium-size urbanized areas of between 200,000 and one million persons, and 35 small urbanized areas housing between 50,000 and 200,000 persons.

### ***The National Transit Database***

FTA collects a large amount of data from the nation’s transit providers and publishes many of these data in its annual release of the National Transit Database (NTD).<sup>26</sup> Myriad financial and nonfinancial data from the NTD are published according to transit mode, including bus, heavy rail, light rail, commuter rail, demand response, vanpool, and several modes employed less frequently.

Some of the data collected for the NTD are used to make formula grant apportionments in future years.<sup>27</sup> Key statistics used for transit assistance formula funding allocation include agency operating costs, total miles of fixed guideway, and bus and fixed guideway statistics for revenue vehicle miles and passenger miles.

To date, FTA has apportioned transit assistance formula funding according to these data as they are reported by individual transit agencies serving urbanized areas with populations of 200,000 or more.<sup>28</sup> Apportionments are made to MPOs in urbanized areas, and these data must thus reflect activities within these specific areas.

Transit agencies, especially those providing commuter rail services, sometimes serve more than one urbanized area, or they may serve both urbanized and nonurbanized areas. For example, in addition to serving the Riverside–San Bernardino urbanized area, the Riverside Transit Agency also serves the Los Angeles–Long Beach–Santa Ana urbanized area and the Hemet–San Jacinto

---

<sup>25</sup>See [http://www.transtats.bts.gov/tableinfo.asp?Table\\_ID=758&SYS\\_Table\\_Name=T\\_NTD\\_001&Table\\_Short\\_Desc=](http://www.transtats.bts.gov/tableinfo.asp?Table_ID=758&SYS_Table_Name=T_NTD_001&Table_Short_Desc=).

<sup>26</sup>The database, available at <http://www.ntdprogram.com>, includes data from all transit agencies that receive or benefit from FTA Urbanized Area Formula program funds, in addition to some agencies not receiving FTA funds. A total of 602 transit agencies reported data in 2001.

<sup>27</sup>Data collected for one year are typically used to apportion transit assistance formula funding two years later. For example, FTA used 2002 NTD data to calculate 2004 apportionments.

<sup>28</sup>As discussed below, formula funding to urbanized areas with populations less than 200,000 does not depend on transit use statistics.

urbanized area. Likewise, the Altamont Commuter Express Authority (ACE) serves three urbanized areas: Stockton, San Jose, and San Francisco–Oakland.

Such agencies are required to estimate how many of each data are attributable to one area versus another. All transit agencies must submit to FTA an annual report, consisting of 13 forms, which assigns a transit agency serving more than one area to the area that receives the majority of transportation services. However, agencies serving more than one large urbanized area—or one such area and a small or nonurbanized area—are also required to file a 14th document, known as Form 901, or the “Federal Funding Allocation Statistics Form.” On Form 901, these urban area transit agencies must desegregate numerous service variables (such as miles of rail track and hours of bus service) among the geographic areas they serve for the sole purpose of helping FTA apportion formula grant funding in future years.<sup>29</sup>

To illustrate how Form 901 data are reported, ACE in 2000 reported that it operated 61 route miles in the Stockton area, 91 route miles in the San Francisco–Oakland area, and 21 route miles in the San Jose area. In California, 10 transit agencies serve more than one urbanized area, whereas 76 serve only a single urbanized area. Nationwide, 54 agencies serve multiple urbanized areas and 547 serve a single area.<sup>30</sup>

---

<sup>29</sup>Recognizing that not all transit agencies accumulate passenger miles and operating expenses by area, FTA permits agencies to alternatively allocate passenger miles and operating expenses to each urbanized and nonurbanized area according to actual vehicle revenue miles in each area.

Each transit agency serving an area of 200,000 or more persons must file separate 901 forms for each transit mode operated—such as bus, trolleybus, ferry boat, aerial tramway, and various rail modes (heavy rail, light rail, commuter rail, incline plane, automated guideway, and cable car). In addition, within each of these transit modes, agencies must further distinguish statistics related to transit services they operate directly from those related to services they purchase from third-party contractors—filing a separate Form 901 for each entry.

Form 901 requests entirely new statistics for only four variables, all related to fixed guideway operations: directional route miles, operating expenses, passenger miles, and vehicle revenue miles. The primary importance of the form is that it asks agencies to parse previously entered data among the geographic areas served. For extensive detail regarding the Form 901 data used to determine formula allocations, the NTD reporting manual for 2003 is available at <http://www.ntdprogram.com/NTD/ReportingManual/2003/HTMLFiles/2003%20FFA.htm>.

<sup>30</sup>In California, the Bay Area Rapid Transit (BART) system, based in Oakland, serves three urbanized areas (UZAs) (San Francisco–Oakland, Antioch, and Concord); Vallejo Transit serves three (Vallejo, Vacaville, and Fairfield); OMNITRANS–Riverside (San Bernardino) serves two (Riverside–San Bernardino and Los Angeles–Long Beach–Santa Ana); the Riverside Transit Agency serves three (Riverside–San Bernardino, Los Angeles–Long Beach–Santa Ana, and Hemet); Simi Valley Transit serves two (Simi Valley and Los Angeles–Long Beach–Santa Ana); the Yolo County Transit District of Woodland serves two (Sacramento and Davis); Antelope Valley Transit of Lancaster serves two (Lancaster–Palmdale and Los Angeles–Long Beach–Santa Ana); Altamont Commuter Express of Stockton serves three (Stockton, San Jose, and San Francisco–Oakland); the Peninsula Corridor Joint Powers Board of San Carlos serves two (San Francisco–Oakland and San Jose); the Los Angeles Metropolitan Transit Authority serves two (Los Angeles–Long Beach–Santa Ana and Oxnard); and the Southern California Rail Road Authority serves a total of six UZAs (Los Angeles–Long Beach–Santa Ana, San Diego, Riverside–San Bernardino, Oxnard, Lancaster–Palmdale, and Simi Valley). Before use of 2000 Census data, the Sunline Transit Agency of Thousand Palms served two small UZAs, Palm Springs and Indio–Coachella; the 2000 Census combined those two areas into a single medium-size UZA: Indio–Cathedral City–Palm Springs.



### ***FTA's Withholding of NTD Data Complicates Formula Calculations***

The accuracy of NTD data and the efficiency of data collection and reporting has come into question in recent years. In particular, data from Form 901 have been criticized. Auditors in Florida commented that manual tabulation and maintenance of database worksheets resulted in “computational and transposition errors” and “incorrect allocation percentages being used for the urbanized area allocation reported on Form 901.”<sup>31</sup> The NTD has been undergoing major structural changes in part to address these data quality concerns.<sup>32</sup>

Unfortunately, FTA responded to criticism of data accuracy by ceasing to publish certain critical data. Data from the first 13 of the NTD's 14 forms are published annually, but data collected from transit agencies on Form 901 are no longer available. The Form 901 data remained publicly available through 2000, but FTA did not include the data with its release of the 2001 NTD. In addition, FTA retroactively deleted data from database releases for prior years.

The unavailability of 2001 federal funding allocation statistics from FTA vastly complicates the task of simulating transit formula grant apportionments for 2003 (the year for which those data would be used). Moreover, because 2003 was also the first year for which the 2000 Census redrawn and redefined urbanized areas were used, it is virtually impossible for an independent third party (or anyone other than FTA) to run accurate formula apportionment simulations.

## **Transit Formula Grant Structure Under TEA-21**

The FTA account for formula programs provided more than half of TEA-21's federal transit assistance. The account included several formula grant programs, the largest of which is the UAF,<sup>33</sup> which alone accounts for nearly half

---

<sup>31</sup>See Internal Auditors of Brevard County, *Internal Audit Review of Transit Services Department Grants*, Viera, Florida, July 19, 2002, available at <http://www.brevardcounty.us/clerk/internalaudit/pdf/transitreport.pdf>.

<sup>32</sup>According to Signal Solutions Corporation (a division of General Dynamics)—the contractor that manages and operates NTD—the database “has changed dramatically over the past five years in which Signal has operated the program. During the initial year, all reports were submitted as hard copies, which were then processed by hand. As the program progressed, we went from paper copies to diskette filing, and then to online reporting. During Report Year 2001, all reports were submitted online and our analysts worked the data and communicated problems back to the agencies by mail. Report Year 2001 was our most successful and accurate year thus far. For Report Year 2002, we have developed a new online reporting system which will allow the agencies to validate their own data prior to submitting. This will greatly decrease the time required to process the report through closing.” Contract summary, Signal Solutions Corporation, Fairfax, Virginia, available at <http://www.signalcorp.com>.

<sup>33</sup>49 U.S.C. 5307.

of all federal transit expenditures. Together, the formula programs account and the Fixed Guideway Modernization program (a formula grant funded under the Capital Investment Program [CIP]) combined to deliver approximately two-thirds of transit funds by mathematical formulas.

Of the total \$3.8 billion that was to be apportioned in 2004 for FTA's formula programs, the UAF portion accounted for \$3.4 billion. The remaining apportionments from the formula programs account included \$238.5 million for the Nonurbanized Area Formula program,<sup>34</sup> \$90.4 million for the Elderly and Persons with Disabilities (EPD) formula program,<sup>35</sup> \$6.9 million for the Over-the-Road Bus Accessibility program, and \$4.8 million for the Alaska Railroad.

In addition, TEA-21 had authorized annual appropriations of \$150 million (\$50 million of which was to be guaranteed spending) for a new Clean Fuels formula program<sup>36</sup> to encourage the powering of buses by low- or zero-emissions technology. However, in a lesson demonstrating the occasional porousness of budgetary firewalls, Congress for several years not only did not appropriate any of the \$100 million in annual discretionary funds authorized, but it also transferred the intended \$50 million in Clean Fuels annual *mandatory* (HTF) spending to the bus and bus-related capital investment program discretionary funds account.

The process by which FTA determined the amount of funding apportioned for each formula program under TEA-21 is described in Appendix Table B.1, and it is outlined narratively below.

After combining guaranteed (trust fund) and any nonguaranteed (general fund) resources to determine a total amount for transit assistance formula programs, FTA began by setting aside funding for specified purposes. In 2003 and 2004, these set-asides included funding for the Alaska Railroad and the Over-the-Road Bus Accessibility program.<sup>37</sup>

After subtracting funds for these take-downs, FTA divides remaining funds among three programs. TEA-21 required that UAF receive 91.23 percent of remaining funds, NAF receive 6.37 percent, and EPD receive the remaining 2.4 percent. (The last of these had been a discretionary program before TEA-21's creation; the formula programs under ISTEA were the UAF and NAF—receiving

---

<sup>34</sup>49 U.S.C. 5311, sometimes called the Rural Area formula program or the Other Than Urbanized Area formula program.

<sup>35</sup>49 U.S.C. 5310.

<sup>36</sup>49 U.S.C. 5308.

<sup>37</sup>In 2002, these take-downs also included \$5 million for the Paralympiad in Salt Lake City.

94.5% and 5.5% of funds, respectively.) Each program is discussed in greater detail below.

## Urbanized Area Formula Program

The National Mass Transportation Assistance Act of 1974 established the initial framework for transit formula grants, allocating funds directly to urbanized areas for capital projects and operating expenses. UAF funds may be used to finance planning, engineering design and evaluation, security enhancements, capital expenditures in fixed guideway or bus and bus-related investments, the purchase of bus and rail car rolling stock, track installation, facilities construction and repair and, in some instances, operating assistance. TEA-21 added preventive maintenance as a legitimate UAF expense. It also restricted those areas permitted to use UAF funds to pay for operating expenses to small urbanized areas (those with populations under 200,000); areas with populations exceeding 200,000 are permitted to use UAF funds for capital expenditures only.

UAF employs a complicated, multitiered formula structure that parses funds to recipients according to census data on urban area population and population density and FTA data on a variety of transit operational data factors.

Before apportioning funding, FTA first subtracts a portion (typically 0.5 percent of the program total) for departmental administration and any other reductions required by annual appropriations bills, and it adds any unspent funds that become available from previous years' apportionments.

After subtracting funding for take-downs and adding reapportioned funding, the balance is then divided between large urbanized areas with populations exceeding 200,000 and small urbanized areas with populations between 50,000 and 199,999. TEA-21 specified that large urbanized areas receive 90.68 percent of UAF funds, and small urbanized areas receive 9.32 percent.

Then, funding for large urbanized areas is further stratified into five additional subcomponents, providing funding based on a mixture of population and transit data. Although technically a single formula program, UAF in essence apportions funding through six component formulas—one for small urbanized areas and five for large urbanized areas.

### ***Small Urbanized Areas***

The 9.32 percent of UAF funding that is allocated for small urbanized areas is apportioned to states based 50 percent on the population in such areas in the state and 50 percent on that population multiplied by the area's population density. (Whereas FTA disseminates formula funds that are allocated to large

urbanized areas directly to the area's MPO, state governors receive and are responsible for the apportioned share of transit assistance funds intended for small urbanized areas within their states.) Apportionments for small urbanized areas depend entirely on census data and not on transit use statistics from the NTD.

As shown in Table 4, California received \$45.2 million in UAF funding associated with small urbanized areas in 2003, 13.9 percent of the \$324.5 million apportioned nationwide. The state's share represented a substantial increase from the 10.9 percent share the state received in 2002. The increase was due primarily to the fact that 2003 was the first year for which apportionments were calculated using 2000 Census data, and California's population grew somewhat faster than the national average.

Two minor data discrepancies altered 2003 funding apportionments for small urbanized areas. First, a \$6.5 million transfer from the large urbanized area UAF portion increased total funding for Connecticut above what the formula

**Table 4**  
**Urbanized Area Formula Program Apportionments, California and the United States, Fiscal Years 2003 and 2004**

Urbanized Area/State	2003	2004
<b>Population over 1,000,000</b>		
California	\$468,777,233	\$462,632,923
United States	\$2,510,919,137	\$2,497,794,566
California share of U.S. (%)	18.67	18.52
<b>Population 200,000–1,000,000</b>		
California	\$69,634,894	\$77,884,182
United States	576,526,375	586,216,201
California share of U.S. (%)	12.08	13.29
<b>Population 50,000–200,000</b>		
California	\$45,210,679	\$45,205,607
United States	324,456,910	327,508,760
California share of U.S. (%)	13.93	13.80
<b>National total</b>		
California	\$583,622,806	\$585,722,712
United States	\$3,411,902,422	\$3,411,519,527
California share of U.S. (%)	17.11	17.17

SOURCES: Federal Transit Administration; U.S. Census Bureau; internal calculations.

alone would have provided. Second, by rounding first to a single decimal place and then again to a whole number, FTA skews funding slightly. As a result, 17 small urbanized areas received between \$50,000 and \$200,000 more than would have been received using a more standard rounding method. (Of the total national rounding-related excess of \$1.5 million, one California area, Porterville, received an additional \$60,261.)

For a complete list of the nation's small urbanized areas receiving 2003 and 2004 funding under UAF and the amount apportioned to each, see web-only Table C.2b.

### ***Large Urbanized Areas***

After allocating the 9.32 percent of UAF funds made available for small urbanized areas, FTA uses a complex, multilayered formula to apportion the remaining money to areas housing 200,000 persons or more. FTA employs data from both the Census Bureau and the NTD, and funds for each large urbanized area flow directly to the area's MPO, bypassing the state level entirely. Approximately two-thirds (66.71%) of funds for large urbanized areas are apportioned in a "bus tier" according to census data and bus transit use statistics, and the remaining one-third (33.29%) is apportioned in a "fixed guideway tier" based on census data and fixed guideway transit use statistics. Each tier has subcomponents, including incentive and nonincentive portions.<sup>38</sup>

**Large Urbanized Areas—Bus Tier.** The two-thirds of UAF formula funding known as the bus tier is further divided into two parts, an incentive portion (9.2% of bus tier funds) and a nonincentive portion (90.8% of bus tier funds).

The "deepest" layer of the multilayered UAF formula is the nonincentive portion of the bus tier, whereby funds are further stratified one last time—with 73.39 percent apportioned to the largest urbanized areas of at least one million in population and the remaining 26.61 percent apportioned to medium-size urbanized areas with populations between 200,000 and one million. The formula for apportioning funds to the largest urbanized areas is identical to that used for medium-size urbanized area apportionments; the statutory division between the two permits urbanized areas to compete against like-sized areas for federal bus transit dollars.

The two larger, nonincentive bus tier formulas apportion 50 percent of funds according to census data for each urbanized area's population (25%) and

---

<sup>38</sup>The incentive portion of UAF tiers apportions funds according to a transit system's performance and output, thereby rewarding transit systems for achieving legislatively specified goals.

population density (25%), as compared to all areas of similar size (above or below one million in population). The other 50 percent of nonincentive bus tier funds is apportioned according to FTA statistics for revenue vehicle miles operated on buses in the area, as compared to the same statistic for all similarly sized areas.

The remaining 9.2 percent of the bus tier funds constitutes the incentive portion of the bus tier, and FTA apportions these funds according to NTD statistics for the number of bus passenger miles attributable to the area multiplied by a ratio of passenger miles to operating costs, thereby creating an incentive for transit agencies to operate more efficiently.<sup>39</sup>

**Large Urbanized Areas—Fixed Guideway Tier.** The remaining one-third of UAF formula funding is known as the fixed guideway tier and is likewise divided into two parts—an incentive portion (4.39% of fixed guideway tier funds) and a nonincentive portion (95.61% of fixed guideway tier funds).

TEA-21's formula dictates that FTA apportion 60 percent of nonincentive fixed guideway UAF funds according to NTD statistics for revenue vehicle miles operated on fixed guideways in the area compared to the same statistic for all large urbanized areas. The remaining 40 percent of funds is apportioned according to the number of fixed-guideway route miles in the area, as compared to the total for all large areas.<sup>40</sup>

In the same way that bus tier incentive funds are apportioned, the remaining 4.39 percent of the fixed guideway tier is apportioned on an incentive basis according to the number of fixed guideway passenger miles attributable to the area multiplied by a ratio of passenger miles to operating costs.

In addition, transit law sets a minimum apportionment of 0.75 percent of total funding (applied separately to both the incentive and nonincentive portions of the fixed guideway tier) for urbanized areas that are equipped with commuter rail systems and house at least 750,000 inhabitants.

**Large Urbanized Areas—Funds Apportioned.** From UAF funds for urbanized areas with 200,000 residents or more, a mandatory 1 percent take-down is required to be used by the state for transit enhancements, although the requirement does not alter the amount received by each state.<sup>41</sup>

---

<sup>39</sup>The incentive portion is not stratified between areas housing more or less than one million persons.

<sup>40</sup>Unlike bus tier funds, fixed guideway tier funds are not divided between very large (one million plus) and medium-size urbanized areas.

<sup>41</sup>Transit enhancement funds may be used to support historic preservation or rehabilitation, bus shelter installment, landscaping and beautification activities, public art, pedestrian access and walkway facilitation, bicycle access improvements, transit-park connections, signage, or access enhancements for the disabled.

In 2003, California urbanized areas received \$468.7 million (18.7%) of the nation's \$2.5 billion in UAF funding apportioned to urbanized areas containing more than one million in population. The state received a smaller proportion—\$69.6 million (12.1%) of the nation's \$576.5 million apportioned to medium-size urbanized areas having between 200,000 and one million in population.

Combining the two levels of large urbanized areas (those below and above one million in population) yielded a nationwide total of \$3.1 billion. Appendix Table C.1a shows an approximate state-by-state breakdown of 2003 and 2004 UAF funding; however, users should be cautioned that the table assigns multistate urbanized areas (those that span more than one state) to the area's primary state only, regardless of population or transit service levels in other states.<sup>42</sup> As shown, California received \$538 million (17.4%) of the nation's total apportionments. The table also shows approximate spending levels for 2004, which may change if a transportation reauthorization bill is enacted.

For a complete list of the nation's large urbanized areas receiving 2003 and 2004 funding under UAF and the amount apportioned to each, see web-only Table C.1b (for urbanized areas housing more than one million in population) and web-only Table C.1c (for urbanized areas housing between 200,000 and one million in population).

## Nonurbanized Area Formula Grants

A smaller portion of the nation's transit assistance (6.37% of total formula program funding) is apportioned to state governors in proportion to nonurbanized area population. The apportionment formula structure is substantially less complicated than that for the UAF. The formula directs that funds flow according to nonurbanized area population (which differs from rural population, as discussed above). As with formula funds for small urbanized areas, apportionments for nonurbanized areas may be used for both capital and operational expenses, and funds additionally may be used for project administration. No more than a 50 percent federal share may be committed for operating expenses, whereas capital projects may be funded with as much as 80 percent federal funding. The federal share for the Nonurbanized Area Formula program may be further increased to 90 percent for vehicle-related equipment

---

<sup>42</sup>The multistate area issue does not affect the amount apportioned to California—all of its large urbanized areas are wholly contained within state borders—but other state totals are affected. For example, the table assigns all \$119.6 million in 2003 funds for the Philadelphia urbanized area to Pennsylvania, despite the fact that 21 percent of the area's population resides in New Jersey, 9 percent resides in Delaware, and a fraction of a percent resides in Maryland.

costs needed to fulfill transit-related requirements outlined in either the Clean Air Act or the Americans with Disabilities Act.

In addition, FTA allocates to states a small amount of discretionary funding under the Rural Transit Assistance Program (RTAP)<sup>43</sup>—to be spent in conjunction with Nonurbanized Area Formula program apportionments—intended to support research, training, technical assistance, and other support services to meet the needs of transit operators in nonurbanized areas.

As shown in Appendix Table D.1, California received \$10.3 million from the Nonurbanized Area Formula program in 2003, 4.3 percent of the total apportioned nationwide, and slightly less in 2004. The total and California's share were less (\$10.6 million and 4.6%) than in 2002, the last fiscal year for which FTA used 1990 Census data. Between 1990 and 2000, the nation's nonurbanized population declined somewhat, from 92.1 million to 89.6 million, but the number of Californians living in nonurbanized areas declined even faster than the national average, resulting in a reduced apportionment for the state. California's share of discretionary RTAP funds is lower still, less than 3 percent.<sup>44</sup>

## Elderly and Persons with Disabilities Formula Program

The smallest of the three core transit assistance programs, the EPD apportions 2.4 percent of transit formula funds to provide capital-exclusive assistance for the purchase of vehicles to facilitate the transportation needs of elderly and disabled populations. Originally distributed discretionarily, the program was designated a formula grant beginning in 1998 with the passage of TEA-21. Nevertheless, the Secretary of Transportation maintains authority over the formula's definitions and operation, resulting in a "discretionary formula" hybrid program.

States receive apportionments according to the state's relative share of the nation's elderly and disabled population. States are responsible for program applications and for identifying eligible public/private entities that provide appropriate services from federal funds through this program. Congress intended that states distribute funding primarily to private, nonprofit organizations to accomplish program goals.

As shown in Appendix Table E.1, California received \$9.4 million from the EPD program in fiscal year 2003, 10.5 percent of the nation's total \$90.1 million

---

<sup>43</sup>49 U.S.C. 5311(b). RTAP provided \$5.2 million nationwide in 2004.

<sup>44</sup>The state was allocated \$145,107 for RTAP discretionary grants in 2004.



apportioned to states and territories. The state's 2003 share represented an increase from the 9.5 percent level in 2002, the last year for which 1990 Census data were the most recent available.

However, FTA's apportionment for the EPD program does not precisely match data reported by the Census Bureau and published by FTA for apportionment years. The Census Bureau changed its calculation and reporting methods for persons with disabilities for the 2000 Census, and FTA's adjustment to the new data may explain some of the inconsistency, although Congress's delegation of formula design authority may play a more significant role. If formula funds were distributed solely according to Census 2000 data for elderly and disabled persons alone, California would have received \$10.1 million, or 11.2 percent of the total apportioned.

## Clean Fuels Formula Program

Although no funds have ever been available for the program, TEA-21 prescribes a modest level of funding for a new formula program intended to expedite the development of clean fuel technologies among bus fleets. This report describes the apportionment methodology in the event that the program is eventually funded, especially because the formula—geared toward areas with poor air quality—would benefit California considerably.

If available, eligible uses for Clean Fuels funds would include the procurement (or lease) of transit vehicles operated on clean fuels, the enhancement of related facilities, and rehabilitation of pre-1993 bus engines. To be eligible for funds, bus vehicles would be required to be powered using low- or zero-emissions technology. Eligible recipients would serve urbanized areas designated by EPA as in maintenance or nonattainment for air quality, with two-thirds of funds used to serve areas with more than one million in population, and the remainder for areas with less than one million persons. TEA-21 guaranteed \$100 million per year in Clean Fuels grants for 1999 through 2003, which included \$50 million per year in new funding and \$50 million per year shifted from the Bus and Bus-Related Facilities account of the Capital Investment Program.<sup>45</sup> In practice, however, the shift is reversed—Congress annually vitiates the Clean Fuels program, instead

---

<sup>45</sup>At least 5 percent of Clean Fuels funds would be required to be used to finance hybrid electric or battery-powered buses and facilities. The Clean Fuels formula program is also subject to an 80 percent federal matching share of costs. Other requirements include a 35 percent cap on clean diesel buses, and a cap of 5 percent on the percentage of total funds that would be used to pay for the cost of bus engine replacement or retrofitting.

moving its guaranteed \$50 million to the Bus and Bus-Related Facilities program.

Money to states for Clean Fuels projects, if funds were spent, would be apportioned using a statutory formula that separates the largest urbanized areas (those exceeding one million in population) from other areas but that uses an identical formula to apportion funds within the two groups of urbanized areas.

Of the funds for urbanized areas with one million-plus populations, 50 percent would be apportioned according to the ratio of the area's bus fleet vehicles weighted by the severity of air pollution (nonattainment of EPA's Clean Air Act air quality standards) in the area, as compared to the number of total bus fleet vehicles of all eligible projects in all one million-plus population areas weighted by the nonattainment severity factor. The remaining 50 percent would be based on bus passenger miles on the recipient's eligible projects, weighted by the air pollution severity factor and compared to the national total of weighted bus passenger miles.

As noted, an identical formula would apportion funds for urbanized areas housing less than one million persons, within the universe of all such areas.

Much like the CMAQ core highway program, Clean Fuels would employ a graduated weighting feature to assess the severity of ozone or carbon monoxide in nonattainment areas requesting funds. TEA-21 weights nonattainment severity at 1.1 for each "marginal" nonattainment area, 1.2 for "moderate" areas, 1.3 for "serious" areas, 1.4 for areas classified as "severe," and 1.5 for areas classified as "extreme." Areas classified as "maintenance" would be weighted 1.0 for Clean Fuels calculations.

The law established a cap of \$15 million for any single recipient in urbanized areas with less than one million people, and no designated recipient from urbanized areas with a population of one million plus may receive more than \$25 million in Clean Fuels program funds.

## Capital Investment Grants and Loans

Federal capital investments are intended to support projects too large in scale to be sustained consistently by formula apportionments alone. The CIP—also widely known as the Section 5309 program or as the Capital Investment Grants and Loans (CIG) program—is the second largest FTA account. The CIP and formula program accounts together constitute more than 95 percent of FTA's annual budget.

Under TEA-21, CIP was subdivided into three programs. Two of these programs are discretionary—the New Starts (or new fixed guideway and extensions to existing fixed guideway) and Bus and Bus-Related (or Bus Discretionary) program are funded as directed by the administration (although in practice, Congressional earmarks speak for most of the funding). The third CIP program—known as the Fixed Guideway Modernization program—distributes funds using a mathematical formula.<sup>46</sup>

Under TEA-21, CIP funding was parsed among the three programs as follows: 40 percent for Fixed Guideway Modernization, 40 percent for New Starts and Extensions, and 20 percent for Bus and Bus-Related. The following sections discuss the fixed guideway (FG) formula program in some detail and briefly discuss the two other programs within the CIP account.

### ***Fixed Guideway Modernization Program***

TEA-21 provided for \$6.59 billion in authorizations over six years for the FG program. Funds are used for the maintenance, updating, or improvement of existing fixed guideway (heavy and light rail, buses, subways, ferries, and other) segments that are at least seven years old.

Funds from this rehabilitation and improvement program are dispersed using a complex seven-tier formula system to be divided among prespecified target designees (“Old Areas”) that have established rail systems, and all other eligible urbanized areas that have operated fixed guideway systems, with an emphasis on areas that have operated such systems for a minimum of seven years (“New Areas”). The steps are executed sequentially; each one deducting a fixed amount of funds for distribution, and the remainder being distributed on the final step. Many of the steps use a number of fixed guideway operation factors replicated from the basic fixed guideway formula of the UAF program, and in many cases, the formula specifies precise dollar amounts rather than calculated percentages of funds.<sup>47</sup>

Tier one distributes the first \$497,700,000 of program funds among the 11 Old Areas, of which San Francisco (the only California recipient) receives \$33,989,571.

The next \$70 million (tier two) is distributed 50 percent among the same 11 Old Areas using UAF’s fixed guideway basic tier structure (60% fixed guideway

---

<sup>46</sup>The FTA Capital Investment Grants and Loans account is separate from the formula programs account, despite the fact that one of the programs (FG) is actually a formula-based grant. Although it operates as a formula grant, its classification as a CIG program subjects it to different programmatic requirements and reductions than apply to transit assistance formula programs.

<sup>47</sup>TEA-21 expanded the number of tiers for this program from four to seven.

revenue miles, 40% fixed guideway route miles), with the remaining 50 percent to be distributed to New Areas, using the same formula structure.

The third tier divides \$5.7 million by apportioning 21.72 percent to New Areas using the UAF fixed guideway formula, and the remaining 78.18 percent to three urban areas (none of which are in California).

The fourth tier apportions \$186.6 million among the Old Areas and New Areas, using the applicable UAF fixed guideway tier formula factors.

Tier five apportions \$70 million, with 65 percent distributed among the 11 Old Areas using the fixed guideway UAF formula structure. The remaining 35 percent is to be distributed by the same method among New Areas, except that only fixed guideway segments in operation for at least seven years are eligible for funding.

Tier six splits \$50 million in a similar fashion to the fifth tier, except that 60 percent is apportioned to the 11 Old Areas and 40 percent is distributed among other eligible urban areas with fixed guideway systems in use that are at least seven years old.

Finally, in tier seven, remaining fixed guideway modernization funds in the program's account are distributed 50 percent among the 11 Old Areas and 50 percent among New Areas using UAF factors, with eligibility limited to only fixed guideway segments in operation for at least seven years.

As shown in Appendix Table F.1a., FTA distributed \$1.2 billion in fixed guideway modernization grants in 2003, with California receiving \$146.2 million (12.2%) of the nation's total apportionments. For a list of all urbanized areas apportioned funding for the fixed guideway modernization program and amounts apportioned to each, see web-only Table F.1b.

### ***New Starts (Section 5309) Transit Projects***

From a total authorization of \$41 billion, TEA-21 allocates \$8.2 billion in New Starts federal grants and \$3.5 billion in Bus and Bus-Related Facilities funding. Unlike funding from the Fixed Guideway Modernization program, FTA allocates funding from the New Starts capital grants account on a discretionary basis. The agency selects recipients from among applicant transit agencies that have undergone a rigorous screening process, after which prospective projects receive an overall recommendation rating that determines subsequent approval for construction. FTA assigns a rating to each project based on cost-efficiency, ridership improvements, and other criteria.<sup>48</sup> Moreover, each

---

<sup>48</sup>FTA's project ratings are "highly recommended," "recommended," or "not recommended." Project ratings are contingent on justification, local funding, and capacity enhancement criteria.

New Starts project must be issued a Full Funding Grant Agreement (FFGA) before ground is broken. These compacts establish a long-term timetable for completion, estimates of cost levels for out-years, and an outline of the terms and conditions of continued federal financing for grantees. Moreover, they ensure that funds are unlikely to be spent on a project that never reaches fruition. However, FFGA specifications, including the project's rating, may be adjusted periodically if project parameters change or costs begin to exceed estimates. (New Starts project requests below \$25 million are not subject to New Starts approval processes or FFGA screening, although they are still subject to Congressional appropriation.)

New Starts projects are subject to annual Congressional approval of FFGA obligations. The federal share of a project under section 5309 may not exceed 70 percent; however, projects are eligible to receive funds from other federal sources as long as the overall federal share of costs remains below 80 percent.<sup>49</sup> FTA oversees projects and approves their progress at various stages, from analysis of alternatives, through preliminary engineering, to final design and construction. Many projects fail to reach construction stage because of funding shortages, local planning and design problems, or insufficient justification.

Congress appropriates funds for New Starts projects as individual lines in annual appropriations bills funding the Department of Transportation. In 2003, California projects received a total of \$223.6 million in New Starts allocations, 18 percent of the nation's \$1.2 billion total.

For a state-by-state listing of New Starts funding recipients, as well as a full list of those projects receiving funding and pending support, see web-only Tables F.2a and F.2b.

### ***Bus and Bus-Related (Section 5309) Discretionary Program***

Bus transit remains the most heavily used form of public transportation. In contrast to sharp passenger growth in rail-based travel over the last decade, bus ridership travel miles have declined. The federal government is committed to expanding bus transit services, which it considers cheaper and more adaptable to changing development patterns than the rail-based transit alternative.

Most federal capital bus systems investments are funded by formula from UAF program resources. TEA-21 guaranteed an additional \$3 billion in discretionary funding to support transit authorities with the purchase of bus equipment and the construction of bus-related facilities. In theory, the Secretary of Transportation has discretion over bus and bus-related grant allocations. In

---

<sup>49</sup>FTA requires that final design and construction costs account for at least 92 percent of total project funds.

practice, however, Congressional earmarks in annual appropriations bills determine the actual allocation of all bus and bus-related project funds under Section 5309.

Total funding available for the Bus and Bus-Related Capital Investment Program in 2003 included \$607 million in guaranteed spending as well as \$50 million transferred from the Clean Fuels formula grant program.<sup>50</sup>

Before FTA allocates funding, Congress requires that \$3 million be used for a bus testing facility program and \$4.85 million be used for the Fuel Cell Bus and Bus Facility Program. (An 80% limit on the federal share of total costs applies for all eligible projects.)

California received \$43.8 million from the bus program in 2003, 6.73 percent of the \$651 million in total discretionary grants allocated nationwide.

For a state-by-state listing of recipients of Bus and Bus-Related earmarks, as well as a full list of those projects receiving funding and pending support, see web-only Tables F.3a and F.3b.

At less than 7 percent, California's share of Bus and Bus-Related discretionary expenditures in 2003 was far below the state's share either of transit formula programs (15.2%) or of the other two capital grant programs, Fixed Guideway Modernization (12.2%) and New Starts (18%). If Congress had not moved all funds for the Clean Fuels funds to the Bus and Bus-Related program, and instead had allowed the Clean Fuels program to operate, California's share of total funding for bus programs would have been considerably larger.

## Other TEA-21 Transit Provisions

Nearly all of FTA's budget derives from the formula programs and Capital Investment Grants and Loans program discussed above. Under TEA-21, the remaining funds, all of which were discretionary, averaged approximately \$300 million per year (or a total of \$1.5 billion for the six years) and amounted to less than 5 percent of the FTA budget. In 2003, nearly half of these other funds (\$150 million) were spent through the JARC program.<sup>51</sup> Other programs funded that year included Metropolitan Planning (\$60 million), State Planning and

---

<sup>50</sup>TEA-21 had envisioned that \$50 million would be transferred *from* the Bus and Bus-Related program *to* the Clean Fuels formula grant program, but Congress—in annual appropriations bills—has elected to do the opposite.

<sup>51</sup>Program objectives state that Job Access funds help improve mobility and economic opportunity for welfare recipients and other low-income people by providing new or expanded transportation service, whereas Reverse Commute funds help improve mobility to suburban employment opportunities for the general public, including welfare recipients and low-income individuals.

Research (\$13 million), National Planning and Research (\$31 million), Rural Transit Assistance (\$5 million), Transit Cooperative Research (\$8 million), National Transit Institute (\$4 million), University Transportation Centers (\$6 million), and FTA administrative expenses (\$73 million).

Of the \$150 million available for the JARC program for 2003, Congress directed that \$45 million be used for new fixed guideway systems under the CIP,<sup>52</sup> leaving \$105 million for actual 2003 allocations under the JARC program. JARC allocations are theoretically at the discretion of the administration, but Congress has earmarked all funding in recent years.

In 2003, California's nine projects received \$8.7 million in JARC earmarks, 8.4 percent of the nation's total. In 2004, California's seven projects accounted for \$5.5 million, or 5.3 percent of the total earmarked nationwide. For a state-by-state listing of recipients of JARC funding for 2003 and 2004, see Appendix Table G.1. For a full list of those projects, see web-only Table G.2.

## Flex Funding

In addition to collecting capital and formula funds from transit-dedicated federal accounts, Section 53 of TEA-21's transit title gives states the option of transferring a portion of funds derived from three core highway programs to supplement direct transit receipts. Of the three Federal-Aid Highways formula programs in question—the CMAQ, the National Highway System (NHS), and the Surface Transportation Program (STP)—the first two may use flex funds for projects that meet their program criteria, whereas funds transferred from STP to transit must be used for projects that meet FTA transit criteria.<sup>53</sup>

A 2000 Brookings Institution report found California to be the state that took the fullest advantage of flexible funds transfers in TEA-21's first two years of existence and during ISTEA's lifetime.<sup>54</sup> According to the report, California was responsible for flexing 30 percent of transfers conducted by all states between 1992 and 1999. The author attributes the high rate of transfer to the size of California's transit systems and the capital-intensive transit and rail infrastructure

---

<sup>52</sup>Department of Transportation and Related Agencies Appropriations Act for Fiscal Year 2003, as contained in the *Consolidated Appropriations Resolution, 2003*, Public Law 108-7, February 20, 2003.

<sup>53</sup>Funds from the FHWA's Interstate Maintenance, Bridge, National Highway System, and Minimum Guarantee core programs may also be shifted to STP funds where they then can be rerouted to finance transit projects. Flex funds are administered by FTA and treated as transit dollars.

<sup>54</sup>Robert Puentes, *Flexible Funding for Transit: Who Uses It?* Brookings Institution Center on Urban and Metropolitan Policy Survey Series, Washington, D.C., May 2000.

projects undertaken by the state. In addition, California's poorer than average air quality and resulting high proportion of federal CMAQ formula grants generate a larger pool of transit project funds available for interagency flexing than in most other states. Any proposed changes in CMAQ's formula structure that reduced California's share of funds or any relative reduction in the federal commitment could affect California's grant receipts from transit programs as well as highway programs.

## Proposals for Reauthorizing TEA-21

Disagreements between Congress and the White House over adequate funding levels slowed Congressional efforts to reauthorize the federal surface transportation law as TEA-21's authority expired. Transportation policy leaders in the administration, the House, and the Senate each introduced reauthorization proposals, but those introduced by Congressional authorizing committee chairs and approved by their respective chambers proposed to increase overall funding by considerably more than the White House proposal.

From TEA-21's six-year total of \$218 billion for highway and transit programs combined, the Bush administration proposed an increase to \$256 billion (for the period from 2004 through 2009) in its bill entitled Safe, Accountable, Flexible, and Efficient Transportation Equity Act or SAFETEA. The Senate-passed measure (which also adopted the SAFETEA acronym) authorized \$319 billion in highway and transit funds for the same period. The House approved a transportation package with a price tag between these levels—\$284 billion—after House committee leaders nearly forced through a bill almost \$100 billion larger. The White House stated that President Bush would veto a bill with even the lower House amount.<sup>55</sup>

Since TEA-21's expiration in October 2003, transportation programs have remained in operation through Congressional approval of stop-gap legislative measures. As this publication goes to print, the most recent temporary extension was set to expire on September 30, 2004, and House and Senate conference committee members were working to reach consensus on a final bill's overall funding figure.

---

<sup>55</sup>If Congressional leaders had chosen to press forward despite White House opposition, initial prospects for success appeared strong. Both chambers of Congress reported that their respective bills had more than enough votes to override a presidential veto—357 to 65 in the House and 76 to 21 in the Senate.



## President Bush's SAFETEA Proposal

The \$256 billion highways and transit reauthorization package floated by the Bush administration in May 2003 aimed to establish transit funding levels of \$45.8 billion over six years.<sup>56</sup> The SAFETEA plan would require that \$37.6 billion of those funds be guaranteed spending (deriving from the Mass Transit Account of the HTF)—a 4.4 percent increase (although actually a reduction in spending with inflation taken into account) from the guaranteed transit spending level of \$36 billion provided by TEA-21.

In addition to specifying overall spending levels, the administration's bill proposed a number of structural alterations to transit assistance programs, although it stopped short of making widespread formula changes. The president proposed to distribute by formula all major transit assistance except New Starts, a change it argued would simplify federal transit aid by reducing the number of transit accounts. It would eliminate the Bus and Bus-Related category of the Capital Investment Program and correspondingly expand discretionary New Starts eligibility to include bus-oriented nonfixed guideway improvements.

Other provisions of the Bush administration's SAFETEA bill were to reduce the maximum federal share of New Starts projects from 80 percent to 50 percent;<sup>57</sup> move fixed guideway modernization distributions from the CIP account to the formula programs account; convert the JARC program and University Transportation Research activities from discretionary to formula; consolidate JARC, EPD, and a New Freedoms Initiative for disabled persons into a new State Administered formula programs category; and increase Nonurbanized Area Formula program grants by 87 percent (shifting funding away from the UAF).

### *The Administration's UAF Performance Incentive Proposal*

The president's bill proposed a new Performance Incentive program within the UAF for all urbanized areas, small and large. The bill proposed that FTA set aside a portion of UAF funds—10 percent of total spending funds by 2009—to be distributed in an “incentive tier” by a formula that would be determined by the Secretary of Transportation. In an effort touted as encouraging growth in transit system use, the incentive provision was to give supplemental funding to transit operators experiencing the greatest growth. The bill provided little guidance to the Department of Transportation, stating only that a formula

---

<sup>56</sup>The President's fiscal year 2005 budget proposal added \$9 billion in authorizations to the original \$247 billion SAFETEA proposal. All of these extra funds are dedicated to highway programs.

<sup>57</sup>Although the maximum federal share from transit assistance accounts would be set at 50 percent, recipients would be eligible to collect 30 percent of project costs from other federal sources.

should reflect “increases in public transportation patronage” and that the formula could (but was not required to) “consider the efficiency of service provision.”<sup>58</sup>

Although the president’s bill left the drafting of the actual formula to the discretion of the administration and did not identify formula factors, Appendix K—a web-only appendix to this report—examines state-by-state differences in two variables that could be used to distribute funding if such a formula change were enacted. Appendix Table H.1a compares total transit passenger miles traveled in 1997 through 2001. As shown, California’s total transit passenger miles traveled increased from 5.5 billion in 1997 to 6.7 billion in 2001 (20.1%). California accounted for 17.3 percent of all passenger miles traveled in those states that experienced an increase during the period, and the state would receive that share of incentive funding if Congress designed a formula to measure that data point.<sup>59</sup> Nevertheless, however large, a 17.3 percent share would still be less than the state’s recent share of receipts from combined other transit assistance formula programs.

If the administration chose to include a factor for efficiency when it created a formula, it might use total transit operating expenses per passenger mile. As shown in Appendix Table H.1b, California spends 52 cents per passenger mile, 7.6 percent more than the national rate of 48 cents per passenger mile. Thus, if the administration used such data as a proxy for efficiency, California might be penalized for spending more per passenger mile than the national average.<sup>60</sup>

### ***The Administration’s Capital Investment Grant Consolidation***

The administration’s bill sought to reduce the amount of discretionary money available to Congress for distribution as special project earmarks and to shift that money to what FTA Administrator Jennifer Dorn described as “more predictable” funding streams. The goal was to be fulfilled by eliminating the Bus and Bus-Related discretionary component of the CIP after 2006, and expanding New Starts criteria to include nonfixed guideway projects such as bus and bus-

---

<sup>58</sup>In addition, as an incentive to maintain services to target populations, FTA would be prohibited from providing incentive tier grants to an urbanized area that experiences a “significant decline” in transit use by elderly individuals, individuals with disabilities, or low-income persons.

<sup>59</sup>Of course, the selection of base years would be important for determining formula allotments. California experienced little increase relative to other states in transit ridership between 1998 and 1999 but a sharp increase the year before and in 2000 and 2001. Thus, a formula that compared the current year to 1998 would be less beneficial for California than a formula that compared the current year to 1997 or 1999.

<sup>60</sup>Efficiency also might be measured by change in operating expenses. Total transit operating expenses in California grew by 35 percent between 1997 and 2001, as compared to a national growth rate of 28.4 percent, and operating expenses per passenger mile in California grew 12.4 percent, as compared to a national average of 10.9 percent. A state-by-state comparison of total operating expenses is shown in web-only Table H.1c.

related facilities.<sup>61</sup> As noted above, California's share of the nation's funding for the Bus and Bus-Related program (less than 7%) has been below that of transit formula programs (15.2%), Fixed Guideway Modernization (12.2%), and New Starts (18%).

The White House SAFETEA proposal also addresses fiscal stability. Administration officials warned that the Mass Transit Account of the HTF could be exhausted by 2007 under the current financing structure.<sup>62</sup> According to administration officials, many of the administration's SAFETEA account shifts are geared to altering the accounting practices in use by having most programs sustained by a single funding source while maintaining the overall 80/20 share divide.<sup>63</sup>

## The House Bill: TEA-LU

In November 2003, House Transportation and Infrastructure (T&I) Committee Chair Don Young (AK) introduced the Transportation Equity Act: A Legacy for Users (TEA-LU).<sup>64</sup> As initially proposed, the bill was the most ambitious and controversial proposal of the three reauthorization plans floated in Congress. TEA-LU was remarkable because of its steep cost (\$375 billion) and the means by which it would cover that cost—increasing taxes on motor fuels by up to 6 cents.<sup>65</sup> Chairman Young's initial TEA-LU measure drew strong criticism from fiscally conservative lawmakers and a firm veto threat from the White House, but it received widespread support from members of the T&I Committee.

Under pressure from the Republican leadership of the House, Chairman Young agreed that the T&I Committee would mark up a pared-back bill, H.R. 3550, providing \$275 billion for highway, transit, and transportation safety

---

<sup>61</sup>Dorn noted before a Senate committee that Bus and Bus-Related discretionary funds flow to only half of states and urban communities.

<sup>62</sup>Officials claimed that the 80/20 split between trust fund spending and general fund spending employs a future-outlay billing practice that prematurely draws down MTA funds excessively.

<sup>63</sup>Under the proposed rearrangement, all formula programs and research activities would derive from the MTA, and administrative expenses would derive from the general fund. New Starts would be the only split-funded account remaining. Authorizers are concerned that the absence of budgetary firewall controls inherent to trust fund accounts would render New Starts vulnerable to underfunding.

<sup>64</sup>In addition to the acronym, the term TEA-LU is named in tribute to Chairman Young's wife, Lu.

<sup>65</sup>Proponents of the move argued that the tax laws should be changed simply to restore annual inflationary indexing of fuel taxes, a practice employed until TEA-21's enactment in 1998.

programs.<sup>66</sup> Funding under the House-passed TEA-LU version totaled somewhat more and included \$223.4 billion for highway programs administered by FHWA, \$51.6 billion for transit programs administered by FTA, and \$6 billion for surface transportation safety programs.

The bill immediately drew a veto recommendation from the Bush administration because of the bill's cost<sup>67</sup> and its highway guarantee "re-opener" provision, which would suspend highway funding at the end of FY 2005 unless new legislation is enacted by then to increase the "minimum guarantee" on states' highway programs funding to a 95 percent rate of return.<sup>68</sup>

For transit programs, TEA-LU would increase funding from \$7.3 billion in 2004 to \$10 billion in 2009. An earlier TEA-LU draft required that all transit funding be guaranteed (derived from the HTF); the version that passed the House included a mixture of guaranteed and nonguaranteed spending. The \$51.6 billion total would represent an increase from the \$41 billion authorized total under TEA-21, \$36 billion of which was guaranteed and \$5 billion of which was authorized (but not actually appropriated) from the general fund.

A breakdown of spending amounts proposed in the TEA-LU bill is shown in Table 5.

### ***TEA-LU: Formula Programs***

TEA-21 distributed formula funds to three core programs: 91.23 percent to the UAF program, 6.37 percent to the NAF program, and 2.4 percent to the EPD program. TEA-LU proposes to alter the core formula grant apportionment scheme by increasing the share that NAF represents at the expense of the UAF share. The bill would reduce UAF from 91.23 percent to 89.5 percent of the formula total, increase NAF grants to rural areas from 6.37 percent to 8 percent, and slightly increase EPD grants from 2.4 percent to 2.5 percent.

California's share of formula program funds is greatest from the UAF—the state received 17.1 percent of the nation's UAF total in 2003, 10.5 percent of EPD funds, and 4.3 percent of nonurbanized funds. Thus, the state's percentage

---

<sup>66</sup>To highlight their belief that H.R. 3550's spending total was \$100 billion less than committee members wanted, the committee simultaneously approved the initial \$375 billion TEA-LU plan (H.R. 3994). That larger bill was not expected to be considered on the House floor. T&I Committee markup and approval took place on March 24, 2004.

<sup>67</sup>The bill's total price tag was questioned by the White House Office of Management and Budget, which argued that the real TEA-LU spending figure was \$284 billion rather than \$275 billion.

<sup>68</sup>For details regarding the minimum guarantee and California's share of it and other FAHP apportionments, see Tim Ransdell and Shervin Bolorian, *Federal Formula Grants and California: Federal Highway Programs*, Public Policy Institute of California, San Francisco, California, February 2003, available at <http://www.ppic.org/main/publication.asp?i=467>.

**Table 5**  
**FTA Funding Amounts Proposed in House TEA-LU Bill (H.R. 3550),**  
**Fiscal Years 2004–2009 (\$ millions)**

	2004	2005	2006	2007	2008	2009	Six-Year Total
<b>Total authorizations</b>							
Senate (S. 1072)	7,266	8,650	9,085	9,600	10,490	11,430	56,521
House (committee bill)	7,266	7,750	8,266	8,816	9,403	10,029	51,530
SAFETEA (White House)	7,226	7,370	7,521	7,690	7,880	8,070	45,757
TEA-21 (guaranteed plus authorized)							41,000
<b>Formula programs</b>							
JARC	125.0	150.0	175.0	200.0	200.0	200.0	1,050.0
New Freedom Initiative	50.0	95.0	100.0	105.0	115.0	125.0	590.0
Transit in the Parks	8.0	8.0	16.0	16.0	16.0	16.0	80.0
Clean Fuels	50.0	75.0	100.0	100.0	100.0	100.0	525.0
Alaska Railroad	4.8	10.0	11.0	12.0	13.0	14.0	64.8
Bus Testing Facility	3.1	3.1	3.1	3.1	3.1	3.1	18.6
Over-the-Road Bus Accessibility	8.0	8.0	8.0	8.0	8.0	8.0	48.0
Motorized Transportation Pilot	4.0	4.0	4.0	4.0	8.0	8.0	32.0
NAF	293.0	306.2	323.8	345.5	370.1	396.8	2,035.3
EPD	91.6	95.7	101.2	108.0	115.7	124.0	636.0
High Intensity Small Urbanized Area Transit	35.0	38.0	41.0	44.0	47.0	50.0	255.0
UAF grant (excluding high intensity)	3,242.9	3,388.1	3,581.2	3,820.9	4,093.3	4,388.8	22,515.2
<b>Formula program total</b>	<b>3,915.4</b>	<b>4,181.1</b>	<b>4,464.3</b>	<b>4,766.4</b>	<b>5,089.2</b>	<b>5,433.7</b>	<b>27,850.1</b>
<b>Capital Investment Program</b>							
Small Capital grants/Small Starts	85.0	135.0	175.0	200.0	200.0	225.0	1,020.0
Bus and Bus-Related	607.9	639.5	675.9	718.2	768.7	817.5	4,227.6
New Starts	1,215.8	1,279.0	1,351.8	1,436.4	1,537.3	1,635.0	8,455.2
Fixed Guideway Modernization	1,215.8	1,279.0	1,351.8	1,436.4	1,537.3	1,635.0	8,455.2
<b>Capital Investment Program total</b>	<b>3,124.4</b>	<b>3,332.5</b>	<b>3,554.4</b>	<b>3,790.9</b>	<b>4,043.3</b>	<b>4,312.5</b>	<b>22,157.9</b>
<b>Other FTA programs</b>							
Administration	75.1	77.0	79.0	81.0	83.0	85.0	480.1
Research	52.4	54.5	57.0	59.5	62.0	64.5	349.9
University Research	8.0	8.0	8.0	8.0	8.0	8.0	48.0
MPOs	90.8	96.9	103.3	110.2	117.5	125.4	644.1
<b>Other FTA program total</b>	<b>226.2</b>	<b>236.4</b>	<b>247.3</b>	<b>258.7</b>	<b>270.5</b>	<b>282.9</b>	<b>1,522.0</b>
<b>House TEA-LU total</b>	<b>7,266.0</b>	<b>7,750.0</b>	<b>8,266.0</b>	<b>8,816.0</b>	<b>9,403.0</b>	<b>10,029.0</b>	<b>51,530.0</b>

SOURCES: TEA-LU, H.R. 3550, 108th Congress, 2nd Session (approved April 2, 2004); internal calculations.

NOTE: Totals may not sum exactly because of rounding.

share of total formula funds would decline from the amount it would have received without the proposed change in the mix of formula allocations. Applying existing take-downs to the identical formula program funding total, Appendix Table I.1 estimates that California would receive approximately \$8 million less in 2004 from the combined formula programs account under the

proposed TEA-LU percentage mixture, as compared to the mixture under TEA-21. The state's reduction, amounting to 1.4 percent of total funds, would be the second largest as measured by total dollars, after New York, which would see a decline of \$11 million. California's reduction would be second largest in percentage terms after the District of Columbia (1.9%), which is entirely an urbanized area and receives no NAF funding.

TEA-LU would add a low-density formula adjustment to NAF grants, and grants from its proposed New Freedom program (discussed below). The adjustment would apply somewhat differently to each program. Provisions give greater weight to target populations from states with sparsely distributed populations. The adjustment for low-density populations under the NAF would multiply the rural population of states with 10 or fewer persons per square mile by 1.5 and of states with 11 or 12 rural persons per square mile by 1.25. As shown by a state-by-state analysis in web-only Table I.2, the change would reduce California's share of NAF funding slightly, from 4.30 percent to 4.24 percent, a total reduction of \$132,993.

Under the EPD grant, the proposed adjustment would multiply target populations in states with 10 or fewer persons per square mile by 2 and would multiply the number of elderly and disabled persons from states with 11 to 30 persons per square mile by 1.25. Using data from the 2000 Census, Alaska, Montana, North Dakota, South Dakota, and Wyoming would have their EPD populations double-counted, whereas Idaho, Nebraska, Nevada, New Mexico, and Utah would have their population counts increased by 25 percent. As shown by a state-by-state analysis in web-only Table I.3, the change would reduce California's share of the nation's total EPD funding slightly, from 10.47 percent to 10.21 percent, a total reduction of \$232,837.

The proposed New Freedom initiative under TEA-LU would apportion \$590 million in new grants to states based on their share of disabled persons. Funds would be divided into three pots: 60 percent for large UZAs (200,000 persons or more), 20 percent for small UZAs (50,000 to 200,000), and 20 percent for nonurbanized areas (less than 50,000). Another adjustment would double the weighting of small UZA populations in states with a population density of 10 or fewer persons per square mile and multiply small UZA numbers by 1.5 in states with a population density of 11 to 30 persons per square mile. For New Freedom funds in nonurbanized areas, TEA-LU would multiply counts by 1.5 in states with 10 or fewer persons per square mile, whereas states with 11 or 12 persons per square mile would receive an adjustment of 1.25 to their population of disabled persons. TEA-LU's adjustment for low-density populations would not apply to large urbanized area populations for New Freedom funding.

TEA-LU proposed a high-performance grant program that would benefit small transit-intensive UZAs (50,000 to 200,000 persons) that can match or outperform larger UZAs (200,000 to one million) across a number of performance categories. TEA-LU's high-performance program provides \$255 million over six years to small UZAs that meet or exceed large city industry averages for passenger miles traveled per vehicle revenue mile, passenger miles traveled per vehicle revenue hour, vehicle revenue miles per capita, vehicle revenue hours per capita, passenger miles traveled per capita, and passengers per capita. In 2001, California's share of total passenger miles was 14.3 percent of the nation, whereas the state's share of the nation's revenue hours and vehicle hours stood at nearer 15.3 percent of the national total. A recent Census Bureau report indicated that California's share of public transit commuters is 11.7 percent.

### ***TEA-LU: Capital Investment Grant Programs***

TEA-LU would retain the existing CIP grants split of 40 percent New Starts, 40 percent Fixed Guideway Modernization, and 20 percent Bus and Bus-Related program funds. It would distribute a total of \$22.1 billion in CIP funds over six years. After taking down \$1.02 billion for a newly devised Small Starts program (new fixed guideway capital construction of projects with a federal share of costs between \$25 million and \$75 million), TEA-LU proposes \$8.5 billion for New Starts, \$8.5 billion for Fixed Guideway Modernization grants, and \$4.2 billion for Bus and Bus-Related discretionary grants.

The TEA-LU bill proposed earmarks of \$942 million for projects under the Bus and Bus-Related program for fiscal years 2005, 2006, and 2007, which represents approximately 46 percent of the \$2 billion in bus program authorizations for those three years (thereby leaving unspent funds for additional earmarks to be identified during a conference with the Senate). Of the \$942 million in total earmarks, California would receive \$178 million, or 18.9 percent. A list of total Bus and Bus-Related earmarked funding by state is available in web-only Table I.4a. A full list of California project earmarks is available in web-only Table I.4b.

The House TEA-LU bill earmarked \$3.1 billion in funding for 21 Full Funding Grant Agreements under the New Starts program, and three California projects are on that list. The San Diego–Mission Valley East Light Rail Extension would receive \$64 million in 2004, \$81.7 million in 2005, and \$7.7 million in 2006 (as the project nears completion). The San Diego–Oceanside Escondido Rail Corridor would receive \$47.2 million in 2004, \$55 million in 2005, and \$12.2 million in 2006. And the San Francisco/Oakland International Airport–BART subway extension would receive \$98.4 million in 2004, \$100 million in 2005, and \$81.9 million in 2006. California's earmarked funding

would thus total \$548 million over the six years, which is 17.6 percent of the \$3.1 billion total earmarked nationwide. (In addition to FFGAs, the TEA-LU New Starts language specifies closeout funding for five New Starts projects that are nearing completion: Under “Other Project Authorizations,” the bill provides \$2.4 million, with California’s sole project (the Los Angeles–North Hollywood minimum operable segments (MOS-3)) accounting for \$663,000 or 27.4% of the total.)<sup>69</sup> A list of New Starts funding by state, as proposed in the TEA-LU bill, is available in web-only Table I.5a. A list of New Starts project earmarks, including three in California, is available in web-only Table I.5b.

The House legislation proposed a number of new programs, including a capital transit bus discretionary program entitled Small Starts, which would establish new fixed-guideway systems including bus rapid transit, street car, and commuter rail projects of a maximum \$75 million per grant. Small Starts would have to pass different review standards than the New Starts program, which TEA-LU would reclassify as “major” capital projects costing in excess of \$75 million.<sup>70</sup> The House proposal would also expand the definition of activities eligible for capital grants to include “mobility management,” a new term describing short-range planning and management activities and improved coordination among public and private transit operators.

### ***TEA-LU: Other Provisions***

The House bill adopted the administration’s proposal to convert JARC into a formula grant. (See the SAFETEA discussion above.) Services are available to those with family income at or below 150 percent of the federal poverty line. Reverse commute grants offered under the same program subsidize transit systems that shuttle employees from urbanized areas to suburban work locations. The TEA-LU proposed JARC formula allocated funds to designees through a three-tiered system based on each designated area’s relative share of eligible low-income individuals and welfare recipients, as compared to the total for such populations, within a respective tier.<sup>71</sup> The formula would be replicated across three geographic classifications: Urbanized areas with more than 200,000 people

---

<sup>69</sup>TEA-LU does not specify which of the New Starts projects that are now at the “final design and construction” stage should be funded and with how many dollars, but the bill provides \$5.5 billion for 41 such projects nationwide, including seven in California. Likewise, the bill suggests (but does not require) maximum total funding of \$745 million for 143 projects at an earlier stage of the funding pipeline—“Alternatives Analysis and Preliminary Engineering”—and 16 of these possible future New Starts projects are in California.

<sup>70</sup>The following California projects would receive continued authorization for New Starts final design and construction funds under TEA-LU: Los Angeles–North Hollywood MOS-3, San Diego–Mission Valley East Light Rail Extension, San Diego–Oceanside–Escondido Rail Corridor, and the San Francisco/Oakland International Airport–BART extension.

<sup>71</sup>A maximum 10 percent of JARC funds would be allowed to be used for administrative, planning, and technical assistance expenses.



would receive 60 percent of JARC funding, and rural areas and small urban areas with populations of 50,000–200,000 each would receive a 20 percent share of the total JARC apportionment. California’s share of JARC funding would increase substantially if the program were converted to a formula program using these criteria.

In addition, TEA-LU would slightly alter the Clean Fuels formula program by altering the final multiplication step to 1.2 for recipients operating in carbon monoxide nonattainment areas.

## The Senate Bill, SAFETEA (S. 1072)

At \$318 billion, the cost of the Senate-approved transportation package was the largest total under discussion. When the Senate approved the measure, however, House transportation leaders were still pushing for a much larger package and, at the time, the Senate version was viewed as a compromise between the president’s proposal and the House plan. After a number of amendments were considered on the floor and some approved, the Senate passed S. 1072 on February 12, 2004, by a 76–21 vote.

Floor consideration of the bill began with a changed bill. Measure S. 1072’s author, Senator James Inhofe of Oklahoma, offered Senate Amendment 2285—an amendment in the nature of a substitute for the whole bill—which the Senate then further amended on the floor by a variety of other amendments, the largest of which was a last minute “manager’s amendment,” numbered SA 2616 (Inhofe).

The Senate plan proposed \$56.5 billion in guaranteed contract authority for transit programs (none of its funds were to be subject to the annual appropriations process), but it steered away from prescribing motor fuel tax increases to finance itself. Financial support for transit would continue to be divided between guaranteed and nonguaranteed funds—\$47 billion guaranteed from the Mass Transit Account of the HTF and \$9.5 billion nonguaranteed from general revenue sources. The Senate bill proposed several changes to the structure of public transit programs, including revising the capital programs funding split and establishing a new allocation tier for formula programs distributions. Table 6 details spending proposals in S. 1072.

In addition, California delegation members expressed concern regarding a provision in the Senate bill that would limit to one the number of federally supported university research centers in any state; California presently houses three such centers.

**Table 6**  
**FTA Funding Amounts Proposed in Senate SAFETEA Bill (S. 1072), Programs as**  
**Defined in TEA-21, Fiscal Years 2004–2009 (\$ millions)**

	2004	2005	2006	2007	2008	2009	Six-Year Total
<b>Total authorizations</b>							
Senate (S.1072)	7,266	8,650	9,085	9,600	10,490	11,430	56,521
House (committee bill)	7,266	7,750	8,266	8,816	9,403	10,029	51,530
White House (SAFETEA)	7,226	7,370	7,521	7,690	7,880	8,070	45,757
TEA-21 (guaranteed plus authorized)							41,000
<b>Formula programs</b>							
UAF, NAF, EPD Formula Grants	3,754.9	4,157.4	4,367.8	4,616.7	5,047.0	5,501.5	27,445.2
UAF grants	3,425.6	3,578.1	3,759.4	3,973.7	4,344.5	4,736.0	23,817.3
NAF grants	239.2	391.4	411.1	434.4	474.7	517.2	2,468.0
EDP grants	90.1	187.9	197.3	208.5	227.8	248.3	1,159.9
Growing and High Density States		391.4	411.1	434.4	474.7	517.2	2,228.8
Alaska Railroad	4.8	5.8	6.1	6.4	7.0	7.6	37.6
Over-the-Road Bus Accessibility	6.9	7.8	8.2	8.7	9.5	10.3	51.5
High Intensity Small UZA grants		35.0	35.0	35.0	35.0	35.0	175.0
<b>Formula program total</b>	<b>3,766.6</b>	<b>4,562.4</b>	<b>4,793.2</b>	<b>5,066.1</b>	<b>5,538.1</b>	<b>6,036.6</b>	<b>29,763.1</b>
<b>Capital Investment Program</b>							
New Starts	1,316.0	1,461.1	1,534.6	1,621.5	1,771.9	1,930.6	9,635.7
Fixed-Guideway Modernization	1,199.4	1,377.8	1,447.1	1,529.1	1,670.8	1,820.6	9,044.7
Bus and Bus-Related	653.3	839.8	882.1	932.1	1,018.5	1,109.7	5,435.5
Transfer from Clean Fuels to Bus	49.7						49.7
<b>Capital Investment Program total</b>	<b>3,168.7</b>	<b>3,678.7</b>	<b>3,863.7</b>	<b>4,082.7</b>	<b>4,461.2</b>	<b>4,861.0</b>	<b>24,115.9</b>
<b>Other FTA programs</b>							
Research (including University Centers)	58.7	55.7	58.5	61.9	67.6	73.7	376.0
Metropolitan Planning and State Planning/ Research	72.6	109.6	115.1	121.6	132.9	144.8	696.6
Alternative Transportation in Parks		25.0	25.0	25.0	25.0	25.0	125.0
Reports and Audits		3.7	3.9	4.2	4.6	5.0	21.4
JARC	124.3	128.4	134.8	142.5	155.7	169.6	855.3
FTA Operations and Other	75.1	86.5	90.9	96.0	104.9	114.3	567.6
<b>Other FTA program total</b>	<b>330.5</b>	<b>408.9</b>	<b>428.2</b>	<b>451.2</b>	<b>490.7</b>	<b>532.4</b>	<b>2,642.0</b>
<b>All accounts: grant total, Senate bill</b>	<b>7,265.9</b>	<b>8,650.0</b>	<b>9,085.1</b>	<b>9,600.0</b>	<b>10,490.0</b>	<b>11,430.0</b>	<b>56,521.0</b>
<b>Formula grants and research subtotal</b>		<b>6,262.6</b>	<b>6,577.6</b>	<b>6,950.4</b>	<b>7,594.8</b>	<b>8,275.3</b>	<b>35,660.7</b>

SOURCES: Senate SAFETEA bill (S. 1072), 108th Congress, 2nd Session (approved February 12, 2004); internal calculations.

NOTE: Totals may not sum exactly because of rounding.

### ***The Senate Bill: Formula Programs***

The Senate bill proposed, beginning in 2005, to alter the scope and structure of TEA-21's three-part transit formula scheme (presently UAF grants at 91.23%, NAF grants at 6.37%, and EPD grants at 2.4%). Instead of these three stand-alone core programs, the bill proposed to mix the formula grants with a patchwork of other programs, old and new, into a new funding stream known as "Formula Grants and Research." One authorization source would fund research programs, reports and audits, the Jobs Access and Reverse Commute, Growing and High Density States, Alaska Railroad, Over-the-Road Bus Accessibility, Transportation in the Parks, Fixed Guideway and Modernization programs, and the traditional core transit formula programs. The combined account's funds would be distributed by assigning each program a statutorily fixed percentage or a specific dollar share of the overall formula grants and research pot.

To help explain the differences between these definitional approaches, a breakdown of total spending amounts proposed in the Senate bill is shown in Appendix Table J.1a (using program categories as defined in TEA-21) and in Appendix Table J.1b (using the Senate bill's newly defined program categories).

The Senate's formula restructuring method makes the task of comparing prior and proposed formula apportionments tenuous. By using a spreadsheet formatted to the TEA-21 scheme—assigning percentage shares to the core formula programs as if using the tripartite TEA-21 formula funding structure—it is apparent that core formula distributions would be altered more considerably under the Senate bill than under TEA-LU. The Senate plan would provide 86.8 percent to the UAF program, 9 percent to NAF, and 4.2 percent to EPD.

Applying existing take-downs to the current formula program funding total, Appendix Table J.2 estimates that California would receive approximately \$17 million less in 2004 from the combined Formula Programs account under the proposed Senate percentage mixture, as compared to the mixture under TEA-21. The state's reduction, amounting to 2.9 percent of total funds (about twice as large as the TEA-LU reduction), would be second largest as measured by total dollars after New York, which would see a decline of \$25 million. California's percentage reduction would be third largest after the District of Columbia's and New York's.<sup>72</sup>

The Senate bill would provide \$23.8 billion for UAF grants—approximately 57 percent of the total Formula Grants and Research section funds (or 86.8% of formula program funds measured using the TEA-21 format). Whereas current

---

<sup>72</sup>Although UAF funds stand to shrink by 5 percent relative to the other two programs under the Senate's new format, the infusion of additional UAF funds from the Growing and High Density States formula program would offset somewhat the dollar amount of such reductions.

law prohibits the use of UAF funds for operating assistance to large urbanized areas, the Senate bill would allow growing urbanized areas (those that transitioned to 200,000 or more persons following the 2000 Census) to phase out the use of UAF funds for operating costs over three years.

The Senate bill proposed a transit-intensive program designed to reward transit intensive small cities for heightened efficiency and service performance. An annual \$35 million set-aside from the UAF program would be parsed to urbanized areas of 200,000 persons or less with transit systems that match or exceed industry average “revenue vehicle hours” set by larger urbanized areas (200,000 to one million persons). Unlike the House bill’s similar provision, which uses six performance indicators to calculate formula distributions, the Senate bill uses one.<sup>73</sup>

Nonurbanized area funds would be set at \$2.47 billion under S. 1072. The Senate bill would also increase the portion available for apportionment among states for the NAF program from 6.37 percent to 9 percent of total transit formula program funding. In addition, it would set a new allocation tier method that employs population growth and population density as formula factors, in a manner parallel to, yet different from, that used in the UAF formulas.

The bill would change the NAF distribution method by including a land-area apportionment factor to the formula process. The new nonurbanized area formula would apportion 20 percent of funds according to a state’s share of nonurban land mass; the remainder would go out based on a state’s share of nonurbanized population.<sup>74</sup> Under the Senate bill’s revised formula for the NAF, 80 percent of funding would be based on nonurbanized area population, and (for the first time) 20 percent on square miles of land area in nonurbanized areas. As shown by a state-by-state analysis in web-only Table J.3, California’s 4.3 percent of funding would be unlikely to change substantially if an area factor were added to the formula that apportions funding for the NAF program. California’s share of the nation’s nonurbanized area population is 4.3 percent of the nation’s total, and the state’s percentage share of nonurbanized land area is an identical 4.3

---

<sup>73</sup>The Senate bill’s Small Transit Intensive Cities program would differ from that proposed in early versions of a House bill in that it would base grants on population and revenue vehicle hours data rather than on performance indicators. Small urbanized areas (between 500,000 and 200,000 in population) would be eligible if their ratio of average revenue vehicle hours to population exceeded the average of such ratios of medium-size areas (with populations between 200,000 and one million), and grants would be apportioned by comparing an area’s performance with the other eligible small areas.

<sup>74</sup>The Senate bill would also institute a take-down for Indian reservation services starting in 2005 at \$6 million and growing to \$15 million by 2015. It would set aside a maximum of 2 percent of total nonurbanized area grants for the Secretary of Transportation to carry out data collection activities.

percent. In no other state is the percentage of nonurbanized population and of nonurbanized land area so closely matched.

The House bill adopted an administration proposal by creating a new program for individuals with disabilities that would fund activities beyond the scope of the Americans with Disabilities Act. The Senate bill does not create a separate New Freedom Initiative; it instead incorporates New Freedom principles in existing EPD program language. The Senate bill would provide \$1.2 billion in formula funding for elderly and disabled individuals (constituting 3% of formula grants and research funds, or 4.2% under the TEA-21 configuration) and would leave the EPD program's formula language unchanged.

In contrast to the House bill's low-density population formula adjustments, the Senate bill would create a formula grant to support states with growing populations and high-density population centers. For 2005 through 2009, the Senate bill would provide \$2.23 billion for this program—6.25 percent of formula grants and research funds—divided half to growing states and half to high-density states (no funding would be provided for this program in 2004).<sup>75</sup>

The growing states apportionment would be based on a state's share of Decennial Census population weighted by its projected population share in 2015. Formula language would consider urbanized and nonurbanized distribution patterns as well as how to calculate apportionments among urbanized areas. Fifteen-year forecasts of a state's projected urbanized and non-urbanized population distribution shares would determine amounts allocated to those areas.

The Census Bureau typically prepares state-level population projections in the middle of a decade, and the next projections are due out in 2005. The most recent projections for state population, published in 1997, predicted that California would represent 13.3 percent of the nation's population in 2015 (41.3 million of the nation's 310 million total population). If the state's population projection remained at 13.3 percent, California would likely receive \$146 million from this formula.<sup>76</sup>

However, California's population projection may soon be revised upward. In the mid-1990s, the Census Bureau estimated that California's population on July 1, 2000, would be 32.5 million, representing 11.8 percent of the total for all states. Once the 2000 Census was complete, the Census Bureau raised that estimate to 34 million—or 5 percent more people than initially predicted—

---

<sup>75</sup>A portion of funds from both programs would be set aside for nonurbanized areas.

<sup>76</sup>See Paul Campbell, "Population Projections: States, 1995–2025," *Current Population Reports P25-1131*, Washington, D.C., May 1997.

representing 12.1 percent of the nation's 2000 population. In addition, the Senate bill's language is also somewhat ambiguous. The bill refers to estimates (a term used for dates in the past) rather than projections (which predict future statistics). Moreover, one sentence suggests that funds might be based solely on growth over the 15-year period, rather than on the total population for 2015. Finally, the bill does not address how funds should be allocated if a revised projection is unavailable by the time funds are apportioned.

The Senate-proposed program's other \$1.1 billion funding source—high-density population grants—would aid states with population densities in excess of 370 persons per square mile. An eligible state would derive its share of high-density population funds based on the difference between its proportion of total population and its share of urban land mass. Funds apportioned to UAFs would be commensurate with the state's urban-nonurbanized ratio under the Senate bill. Over five years (2005–2009), eight states, not including California (with a population density of 217 persons per square mile), would be eligible to divide \$1.1 billion of these funds—Connecticut, the District of Columbia, Maryland, Massachusetts, New Jersey, New York, Puerto Rico, and Rhode Island.

Whereas the Senate's program would aid only a handful of specified states, the high growth program would dilute funding among every state.

### ***The Senate Bill: Capital Investment Grants***

S. 1072 would alter the existing funding split for capital programs from the current scheme—40 percent for New Starts, 40 percent for Fixed Guideway Modernization, and 20 percent for Bus and Bus-Related—to a new 40-37-23 scheme, thereby moving funding from discretionary rail to discretionary bus programs. Although FTA makes all allocations annually on a discretionary basis, it may be instructive to note that California received 18 percent of the nation's discretionary New Starts rail funding in 2003 and 6.7 percent of discretionary Bus and Bus-Related spending.

As with TEA-LU, S. 1072 would create a Small Starts capital program category and a Transit Intensive grants program, although Small Starts funds would be derived from existing New Starts resources under the Senate plan, and the amount supplied for Transit Intensive grants is \$80 million below the House authorization level.

The Fixed Guideway Modernization program would receive \$9 billion over six years under the Senate bill. Beginning in 2005, S. 1072 would shift the program from a capital investment program to the new "Formula Grants and Research" category, altering the program's classification from a capital to a formula program. Had Fixed Guideway Modernization continued to exist under

the TEA-21 format, its relative share of the tripartite capital investment ratio would be slightly reduced from 40 percent to 37 percent.<sup>77</sup>

The Senate bill retains the current Bus and Bus-Related program, increasing program authorizations to \$5.4 billion over six years. In 2004, the Senate bill authorizes a one-time transfer of \$49.7 million in UAF grants to the bus discretionary account. Unlike TEA-LU and its accompanying list of member projects, no specific earmarks were included in S. 1072 as passed by the Senate.

### ***The Senate Bill: Changes to the CMAQ Highway Program***

In addition, the Senate bill would alter the formula for the CMAQ program, the core highway program administered by the FHWA that returns a very large share of highway funding to the state. CMAQ funding is often transferred to transit accounts.

Under TEA-21, FHWA distributes CMAQ funds according to population density in areas out of compliance with EPA air pollution standards, and areas are assigned weights according to a six-point scale of pollution severity. For example, EPA classifies ozone pollution in the Los Angeles area's South Coast Air Basin as "severe," resulting in a larger CMAQ factor weight for that area's population than for the San Francisco Bay Area, which is classified as "marginal" for ozone. A large portion of California's population lives in areas designated as severe or serious, increasing California funds substantially.<sup>78</sup> Unlike the House TEA-LU bill, the Senate bill (S. 1072) proposes to significantly change the CMAQ formula by eliminating differential weighting and treating all recipient areas equally, without regard to the seriousness of air pollution. This would significantly reduce the state's share of CMAQ funding.

The Senate bill would include a factor for the amount of a region's air containing fine particulate matter (dust and the like) that exceed 2.5 microns, a standard known as PM-2.5. EPA is beginning to measure fine particulates, where it had previously focused on larger particulates in excess of 10 microns (PM-10). The change in the CMAQ standard will alter the geographic distribution of funding, although precisely how is uncertain at this time. The PM-10 standard applies primarily to areas with agricultural fields and to desert areas, whereas the PM-2.5 standard will also capture areas with industrial and residential combustion and vehicle exhaust, as well as airborne chemical reactions such as the sulfur dioxide interplay that leads to acid rain in the Northeastern

---

<sup>77</sup>The Senate bill sets an 8 percent cap on preliminary engineering expenses under this section and maintains the \$10.4 million annual set-aside for ferry boat projects in Alaska and Hawaii.

<sup>78</sup>California received nearly 22 percent of CMAQ apportionments under TEA-21.

United States. Because of the PM factor change, as well as changes in other factor weighting, California's CMAQ funding share may decrease somewhat.

## Conclusion

The nation's transit infrastructure is supported by federal funding from a number of federal transit assistance programs, some of which provide apportionments by Congressionally mandated formula and others that provide discretionary funding allocations as FTA and Congress see fit.

California has been a large recipient of federal transit funding, particularly formula funding. The largest formula program, the UAF, yields California the largest share of dollars, 17 percent of the national total in 2003. The state's share of that year's total transit formula spending—from UAF and other transit formula grants—was slightly less, at 15.2 percent.

If the ongoing TEA-21 reauthorization process results in a significant shift of funds from the urban formula program to the rural formula program, as the Bush administration and the Senate have proposed, the result would be a shift in funds to rural states at the expense of urban ones, and California would see a reduced funding share.

In addition to benefiting from the large size of urbanized area formula grants, California benefits from the absence of a minimum guarantee on transit spending. Some observers have cautioned advocates for transit-intensive states (such as California) to avoid leading the charge for a higher minimum guarantee percentage on FAHP dollars, fearing that such an effort might catalyze a similar transit-focused provision. During the negotiations that led to the creation of TEA-21, Congress discussed but ultimately rejected imposing a minimum guarantee on transit spending similar to that applicable to FHWA dollars.

Currently, California's relatively large share of transit funds is tempered by and contrasted with the substantially lower 9.2 percent share of federal highway dollars that flow to the state. One major highway program provides California a relatively large share of total dollars—CMAQ—and the state has historically transferred much of its funding (as well as funds from STP) to supplement transit dollars. Any changes in such flexibility privileges, reductions in total CMAQ spending, or CMAQ formula alterations could affect funding for transit activities in California.

Moreover, any change in federal transit assistance programs—and to the funding structure that provides California such a large share of funding—is likely to draw close attention, and perhaps skepticism, from the state's lawmakers, transit providers, and consumers.



Most of the changes proposed in the House and Senate bills would do relatively little to increase federal transit funding to California. Despite the fact that the Senate bill would spend a total of \$5 billion more on transit than the House's TEA-LU bill, California is unlikely to receive a substantial increase in transit dollars because the Senate bill's provisions would reduce California's percentage share of transit funding. For example, the Senate's \$1.1 billion high-density population formula would provide funds only to a handful of mostly Northeastern states, whereas its \$1.1 billion high growth states formula would send some money to every state, even the slowest-growing state.

Unfortunately, the two largest transit formula grants—the UAF program and the Fixed Guideway Modernization program—divide funding using data that FTA recently elected to stop publishing. Thus, reliable formula estimates for these programs are unavailable from other sources.



# Appendix A

---

## Abbreviations and Acronyms

ACE	Altamont Commuter Express Authority
APTA	American Public Transportation Association
Caltrans	California Department of Transportation
CIG	Capital Investment Grant
CIP	Capital Investment Program (sec. 5309)
CMAQ	Congestion Mitigation and Air Quality Improvement program
CMSA	Combined Metropolitan Statistical Area
DOT	Department of Transportation (U.S.)
EPA	Environmental Protection Agency
EPD	Elderly and Persons with Disabilities
FAHP	Federal-Aid Highway Program
FFGA	Full Funding Grant Agreement
FG	Fixed Guideway
FGM	Fixed Guideway Modernization
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
HHS	Department of Health and Human Services
HTF	Highway Trust Fund
ITS	Intelligent Transportation Systems
ISTEA	<i>Intermodal Surface Transportation Efficiency Act of 1991</i>
JARC	Job Access and Reverse Commute
MPO	Metropolitan Planning Organization
MSA	Metropolitan Statistical Area

MTA	Mass Transit Account
NAF	Nonurbanized Area Formula program
NHS	National Highway System
NTD	National Transit Database
OBRA	<i>Omnibus Budget and Reconciliation Act</i>
PMSA	Primary Metropolitan Statistical Area
PM-2.5	Particulate matter particles of 2.5 microns and smaller in size
PM-10	Particulate matter 10 microns and smaller in size
RTAP	Rural Transit Assistance Program
SAFETEA	<i>Safe, Accountable, Flexible, and Efficient Transportation Equity Act of 2003</i>
STIP	Statewide Transportation Improvement Program
STP	Surface Transportation Program
T&I	Transportation and Infrastructure
TEA-21	<i>Transportation Equity Act for the 21st Century</i>
TEA-LU	<i>Transportation Equity Act: A Legacy for Users</i>
TMA	Transportation Management Area
UAF	Urbanized Area Formula program
UMTA	<i>Urban Mass Transportation Act of 1964</i>
UZA	Urbanized Area

# Appendix B

---

Federal Transit Administration Formula Programs  
Funding, Total U.S. Funding and Percentage  
Breakdown by Program and Year, with Adjustments for  
Set-Asides, Fiscal Years 2002–2004

Table B.1

**Federal Transit Administration Formula Programs Funding, Total U.S. Funding and  
Percentage Breakdown by Program and Year, with Adjustments for Set-Asides,  
Fiscal Years 2002–2004**

		2002	2003	2004
Across-the-board spending reduction (per annual appropriations bill) (%)		0.00	0.65	0.59
<b>TEA-21 amount —FTA total</b>		6,747,000,000	7,226,000,000	7,226,000,000
Reduced by across-the-board spending reduction		6,747,000,000	7,179,031,000	7,183,366,600
<b>Formula programs portion</b>				
Trust fund amount—guaranteed by TEA-21		2,873,600,000	3,071,200,000	3,071,200,000
General fund amount authorized—not guaranteed		718,400,000	767,800,000	767,800,000
Total authorized amount		3,592,000,000	3,839,000,000	3,839,000,000
Reduced by across-the-board spending reduction		3,592,000,000	3,814,046,500	3,816,349,900
<b>Take-downs</b>				
Alaska Railroad amount		4,849,950	4,849,950	4,849,950
Reduced by across-the-board spending reduction		4,849,950	4,818,425	4,821,335
Minus 1/2% administrative set-aside	0.50%	4,825,700	4,794,333	4,797,229
Clean Fuels bus program		50,000,000	50,000,000	50,000,000
Reduced by across-the-board spending reduction		50,000,000	49,675,000	49,705,000
Transfer to Bus and Bus-Related CIP		–50,000,000	–49,675,000	–49,705,000
Balance for Clean Fuels bus program		0	0	0
Over-the-Road Bus Accessibility program (per 2003 omnibus)		6,950,000	6,950,000	6,950,000
Reduced by across-the-board spending reduction		6,950,000	6,904,825	6,908,995
Paralympiad in Salt Lake City (2002)		5,000,000	0	0
<b>Total for formula programs, reduced by set-asides and reductions</b>		3,525,200,050	3,752,648,250	3,754,914,570
NAF program amount	6.37%	224,555,243	239,043,694	239,188,058
Departmental oversight funds	0.50%	–1,122,776	–1,195,218	–1,195,940
Prior year unspent funds for reapportionment		2,977,622	1,106,083	508,944
Balance for nonurbanized area apportionment		226,410,089	238,954,558	238,501,062
EPD formula program amount	2.40%	84,604,801	90,063,558	90,117,950
Departmental oversight funds (none)	0.00%	0	0	0
Prior year unspent funds for reapportionment		325,448	102,835	243,077
Balance for nonurbanized area apportionment		84,930,249	90,166,393	90,361,027
Urbanized area formula program amount	91.23%	3,216,040,006	3,423,540,998	3,425,608,562
Departmental oversight funds	0.50%	–16,080,200	–17,117,705	–17,128,043
Prior year unspent funds for reapportionment		7,092,285	5,479,136	3,039,008
Balance for urbanized area apportionment		3,207,052,091	3,411,902,429	3,411,519,527
UZA portion for areas 50,000–199,999 in population	9.32%	298,897,255	317,989,306	317,953,620
UZA portion for areas 200,000 and above in population	90.68%	2,908,154,836	3,093,913,123	3,093,565,907
Large UZA portion for Fixed Guideway tier	33.29%	968,124,745	1,029,963,679	1,029,848,091
Nonincentive portion of Fixed Guideway tier	95.61%	925,624,069	984,748,273	984,637,759
Incentive portion of Fixed Guideway tier	4.39%	42,500,676	45,215,405	45,210,331
Large UZA portion for bus tier	66.71%	1,940,030,091	2,063,949,444	2,063,717,817
Nonincentive portion of bus tier	90.80%	1,761,547,323	1,874,066,095	1,873,855,778
Largest UZA nonincentive bus tier portion	73.39%	1,292,799,580	1,375,377,107	1,375,222,755
Medium UZA nonincentive bus tier portion	26.61%	468,747,743	498,688,988	498,633,022
Incentive portion of bus tier	9.20%	178,482,768	189,883,349	189,862,039

# Appendix C

---

## Urbanized Area Formula Program (Sec. 5307) Apportionments, Fiscal Years 2003 and 2004

NOTE: For additional information, see also the web-only tables.

Table C.1a

**Urbanized Area Formula Program, Apportionments to Urbanized Areas in Excess of  
200,000 in Population, by State, Fiscal Years 2003 and 2004**

State or Region	2003			2004			% of U.S. Population	
	Total (\$)	Per capita		Total (\$)	Per capita		Total	Urbanized
		(\$)	% of U.S.		(\$)	% of U.S.		
United States	3,087,445,512	10.55	100.00	3,084,010,767	10.54	100.00	100.00	100.00
Alabama	8,380,464	1.87	0.27	8,464,990	1.89	0.27	1.53	0.99
Alaska	3,296,561	5.12	0.11	3,218,842	5.00	0.10	0.22	0.14
Arizona	42,141,606	7.72	1.36	41,330,994	7.57	1.34	1.86	1.99
Arkansas	3,524,708	1.30	0.11	3,257,167	1.20	0.11	0.93	0.44
California	538,412,127	15.33	17.44	540,517,105	15.39	17.53	12.00	15.32
Colorado	38,580,927	8.56	1.25	40,249,263	8.93	1.31	1.54	1.64
Connecticut	43,871,410	12.68	1.42	42,497,599	12.28	1.38	1.18	1.45
Delaware	0	—	—	0	—	—	0.28	0.27
District of Columbia	117,660,975	206.10	3.81	118,855,148	208.19	3.85	0.20	0.29
Florida	145,539,738	8.71	4.71	147,600,408	8.83	4.79	5.71	6.87
Georgia	55,332,668	6.46	1.79	60,214,475	7.03	1.95	2.93	2.56
Hawaii	26,041,624	20.92	0.84	24,631,302	19.79	0.80	0.43	0.43
Idaho	2,166,521	1.62	0.07	2,138,519	1.59	0.07	0.46	0.31
Illinois	213,225,960	16.92	6.91	214,327,720	17.01	6.95	4.31	4.97
Indiana	17,163,080	2.79	0.56	17,017,516	2.76	0.55	2.10	1.74
Iowa	7,801,528	2.66	0.25	8,041,5274	2.74	0.26	1.00	0.57
Kansas	4,154,517	1.53	0.13	4,210,514	1.55	0.14	0.93	0.62
Kentucky	14,018,609	3.43	0.45	13,539,746	3.31	0.44	1.40	0.80
Louisiana	23,364,523	5.21	0.76	22,244,539	4.96	0.72	1.53	1.29
Maine	0	—	—	0	—	—	0.44	0.16
Maryland	36,611,216	6.71	1.19	36,377,097	6.66	1.18	1.87	2.19
Massachusetts	113,166,134	17.61	3.67	113,644,716	17.68	3.68	2.20	2.88
Michigan	55,946,310	5.57	1.81	55,572,572	5.53	1.80	3.43	3.36
Minnesota	38,034,686	7.58	1.23	39,017,542	7.77	1.27	1.72	1.38
Mississippi	3,897,391	1.36	0.13	3,677,325	1.28	0.12	0.98	0.35
Missouri	38,745,651	6.83	1.25	40,246,482	7.09	1.31	1.94	1.58
Montana	0	—	—	0	—	—	0.31	0.12
Nebraska	8,284,740	4.79	0.27	8,364,443	4.84	0.27	0.59	0.41
Nevada	23,721,441	10.91	0.77	23,287,254	10.71	0.76	0.74	0.86
New Hampshire	0	—	—	0	—	—	0.44	0.28
New Jersey	5,597,352	0.65	0.18	11,292,467	1.31	0.37	2.94	3.96
New Mexico	7,103,124	3.83	0.23	6,632,594	3.58	0.22	0.63	0.44
New York	712,709,994	37.20	23.08	706,784,439	36.89	22.92	6.55	7.91
North Carolina	27,834,874	3.35	0.90	27,151,723	3.26	0.88	2.84	1.92
North Dakota	0	—	—	0	—	—	0.22	0.12
Ohio	84,892,087	7.43	2.75	81,680,636	7.15	2.65	3.90	3.73
Oklahoma	12,197,910	3.49	0.40	12,365,530	3.54	0.40	1.19	0.76
Oregon	36,422,828	10.34	1.18	37,449,296	10.63	1.21	1.20	1.01
Pennsylvania	171,975,560	13.94	5.57	164,653,021	13.35	5.34	4.22	4.19
Puerto Rico	32,550,088	8.44	1.05	32,571,421	8.44	1.06	1.32	1.77
Rhode Island	17,705,061	16.55	0.57	18,314,441	17.12	0.59	0.37	0.47
South Carolina	8,621,288	2.10	0.28	8,432,415	2.05	0.27	1.40	0.96
South Dakota	0	—	—	0	—	—	0.26	0.10



Table C.1a (continued)

State or Region	2003			2004			% of U.S. Population	
	Total (\$)	Per capita		Total (\$)	Per capita		Total	Urbanized
		(\$)	% of U.S.		(\$)	% of U.S.		
Tennessee	23,790,388	4.10	0.77	23,196,907	4.00	0.75	1.98	1.51
Texas	165,547,622	7.60	5.36	165,256,428	7.59	5.36	7.44	7.55
Utah	25,677,585	11.09	0.83	27,145,335	11.72	0.88	0.79	0.89
Vermont	0	—	—	0	—	—	0.21	0.05
Virginia	23,959,784	3.29	0.78	23,016,338	3.16	0.75	2.49	2.40
Washington	81,668,998	13.46	2.65	80,424,749	13.25	2.61	2.07	2.20
West Virginia	0	—	—	0	—	—	0.62	0.26
Wisconsin	26,105,854	4.80	0.85	25,098,225	4.61	0.81	1.86	1.45
Wyoming	0	—	—	0	—	—	0.17	0.06
American Samoa	0	—	—	0	—	—	0.05	—
Guam	0	—	—	0	—	—	0.02	—
N. Mariana Islands	0	—	—	0	—	—	0.04	0.03
U.S. Virgin Islands	0	—	—	0	—	—	0.02	—

SOURCES: Federal Transit Administration; U.S. Census Bureau; internal calculations.

NOTES: Multistate urbanized areas are assigned to primary state only, regardless of population or transit service levels in other states. Funding figures for 2004 are tentative.

Table C.2a

**Urbanized Area Formula Program, Apportionments to Urbanized Areas with  
50,000–199,999 in Population, by State, Fiscal Years 2003 and 2004**

State or Region	2003			2004		
	Total (\$)	Per Capita (\$)	% of U.S.	Total (\$)	Per Capita (\$)	% of U.S.
United States	324,456,910	1.11	100.00	327,508,760	1.12	100.00
Alabama	6,539,450	1.46	2.02	6,538,715	1.46	2.00
Alaska	443,225	0.69	0.14	443,175	0.69	0.14
Arizona	3,076,380	0.56	0.95	3,076,034	0.56	0.94
Arkansas	4,414,406	1.63	1.36	4,413,910	1.63	1.35
California	45,210,679	1.29	13.93	45,205,607	1.29	13.80
Colorado	6,761,484	1.50	2.08	6,760,726	1.50	2.06
Connecticut <sup>a</sup>	11,312,996	3.27	3.49	14,399,987	4.16	4.40
Delaware	624,276	0.77	0.19	624,206	0.77	0.19
District of Columbia	0	—	—	0	—	—
Florida	17,809,806	1.07	5.49	17,807,805	1.07	5.44
Georgia	7,105,389	0.83	2.19	7,104,592	0.83	2.17
Hawaii	1,755,553	1.41	0.54	1,755,356	1.41	0.54
Idaho	3,534,268	2.64	1.09	3,533,870	2.63	1.08
Illinois	8,718,241	0.69	2.69	8,717,262	0.69	2.66
Indiana	8,315,635	1.35	2.56	8,314,702	1.35	2.54
Iowa	6,391,194	2.18	1.97	6,390,477	2.18	1.95
Kansas	2,702,310	1.00	0.83	2,702,007	0.99	0.83
Kentucky	2,578,168	0.63	0.79	2,577,879	0.63	0.79
Louisiana	7,101,883	1.58	2.19	7,101,087	1.58	2.17
Maine	3,046,980	2.35	0.94	3,046,639	2.35	0.93
Maryland	5,976,986	1.10	1.84	5,976,323	1.09	1.82
Massachusetts	3,340,128	0.52	1.03	3,339,753	0.52	1.02
Michigan	10,949,957	1.09	3.37	10,948,727	1.09	3.34
Minnesota	3,580,427	0.71	1.10	3,580,024	0.71	1.09
Mississippi	1,103,270	0.38	0.34	1,103,147	0.38	0.34
Missouri	3,606,229	0.64	1.11	3,605,824	0.64	1.10
Montana	2,568,755	2.82	0.79	2,568,467	2.82	0.78
Nebraska	180,046	0.10	0.06	180,026	0.10	0.05
Nevada	631,699	0.29	0.19	631,628	0.29	0.19
New Hampshire	4,335,418	3.40	1.34	4,334,932	3.40	1.32
New Jersey	2,089,964	0.24	0.64	2,089,730	0.24	0.64
New Mexico	2,270,944	1.22	0.70	2,270,689	1.22	0.69
New York	6,235,119	0.33	1.92	6,234,420	0.33	1.90
North Carolina	10,003,668	1.20	3.08	10,002,546	1.20	3.05
North Dakota	3,040,684	4.80	0.94	3,040,342	4.79	0.93
Ohio	8,096,144	0.71	2.50	8,095,234	0.71	2.47
Oklahoma	2,001,768	0.57	0.62	2,001,543	0.57	0.61
Oregon	2,621,024	0.74	0.81	2,620,730	0.74	0.80
Pennsylvania	10,501,797	0.85	3.24	10,500,620	0.85	3.21
Puerto Rico	10,257,850	2.66	3.16	10,256,699	2.66	3.13
Rhode Island	0	—	—	0	—	—
South Carolina	5,231,886	1.27	1.61	5,231,300	1.27	1.60
South Dakota	2,336,380	3.07	0.72	2,336,117	3.07	0.71

Table C.2a (continued)

State or Region	2003			2004		
	Total (\$)	Per Capita (\$)	% of U.S.	Total (\$)	Per Capita (\$)	% of U.S.
Tennessee	5,688,663	0.98	1.75	5,688,024	0.98	1.74
Texas	30,163,667	1.38	9.30	30,160,283	1.38	9.21
Utah	1,451,904	0.63	0.45	1,451,741	0.63	0.44
Vermont	1,038,754	1.68	0.32	1,038,637	1.68	0.32
Virginia	7,042,747	0.97	2.17	7,041,958	0.97	2.15
Washington	9,882,784	1.63	3.05	9,881,675	1.63	3.02
West Virginia	4,925,638	2.73	1.52	4,925,078	2.73	1.50
Wisconsin	13,812,727	2.54	4.26	13,811,177	2.54	4.22
Wyoming	1,374,888	2.76	0.42	1,374,734	2.76	0.42
American Samoa	0	—	—	0	—	—
Guam	0	—	—	0	—	—
N. Mariana Islands	672,671	6.19	0.21	672,596	6.19	0.21
U.S. Virgin Islands	0	—	—	0	—	—

SOURCES: Federal Transit Administration; U.S. Census Bureau; internal calculations.

<sup>a</sup>In 2003, Connecticut received \$6,467,605 in additional small urbanized area funding, which was transferred from the large urbanized area portion of the UAF. A similar addition was applied in 2004.



# Appendix D

---

## Nonurbanized Area Formula Program (Sec. 5311), Apportionments by State, Fiscal Years 2001–2004

**Table D.1**  
**Nonurbanized Area Formula Program, Apportionments by State, Fiscal Years 2001–2004**

State or Region	Total funding to be apportioned			Nonurbanized Area			Nonurbanized Area		
	2005,485,900	226,410,089	238,954,558	2001	2002	2000	% of U.S.	2003	2004
	Population, 1990	% of U.S.	Population, 2000	% of U.S.	Population, 2000	% of U.S.	Population, 2000	% of U.S.	Population, 2000
United States	92,126,999	100.00	205,485,900	226,410,089	89,636,229	100.00	238,954,558	238,501,062	6,667,593
Alabama	2,200,621	2.39	4,908,405	5,408,217	2,505,892	2.80	6,680,271	6,667,593	929,305
Alaska	328,160	0.36	731,949	806,482	349,262	0.39	931,072	929,305	3,252,704
Arizona	963,374	1.05	2,148,770	2,367,575	1,222,469	1.36	3,258,889	4,823,046	4,823,046
Arkansas	1,759,305	1.91	3,924,065	4,323,645	1,812,653	2.02	4,832,217	10,249,275	10,249,275
California	4,293,890	4.66	9,577,365	10,552,607	3,852,001	4.30	10,268,763	2,895,675	2,895,675
Colorado	916,574	0.99	2,044,385	2,252,560	1,088,286	1.21	2,901,181	1,482,228	1,482,228
Connecticut	831,419	0.90	1,854,450	2,043,284	557,068	0.62	1,485,046	672,024	672,024
Delaware	207,419	0.23	462,640	509,750	252,568	0.28	673,302	0	0
District of Columbia	—	—	0	0	—	—	0	0	0
Florida	2,760,302	3.00	6,156,753	6,783,682	2,512,274	2.80	6,697,284	6,684,574	8,451,488
Georgia	3,217,542	3.49	7,176,610	7,907,388	3,176,336	3.54	8,467,558	1,001,351	999,450
Hawaii	361,120	0.39	805,465	887,484	375,625	0.42	1,001,351	1,839,806	1,836,315
Idaho	728,549	0.79	1,625,002	1,790,472	690,145	0.77	1,839,806	7,149,265	7,135,696
Illinois	2,951,915	3.20	6,584,138	7,254,587	2,681,820	2.99	7,149,265	7,116,563	7,103,057
Indiana	2,851,483	3.10	6,360,128	7,007,767	2,669,553	2.98	4,829,234	4,820,069	3,939,493
Iowa	1,834,102	1.99	4,090,897	4,507,465	1,811,534	2.02	3,946,984	6,597,942	5,144,225
Kansas	1,458,970	1.58	3,254,179	3,585,545	1,480,586	1.65	3,946,984	2,556,919	2,556,919
Kentucky	2,408,441	2.61	5,371,940	5,918,953	2,475,009	2.76	6,597,942	2,658,175	1,899,702
Louisiana	1,991,955	2.16	4,442,983	4,895,402	1,933,362	2.16	5,154,006	2,561,781	2,556,919
Maine	961,196	1.04	2,143,913	2,362,223	960,971	1.07	2,561,781	1,903,314	1,899,702
Maryland	1,200,007	1.30	2,676,572	2,949,121	999,026	1.11	2,663,229	8,939,821	5,874,251
Massachusetts	1,286,043	1.40	2,868,472	3,160,562	713,968	0.80	1,903,314	8,939,821	5,874,251
Michigan	3,482,824	3.78	7,768,311	8,559,342	3,359,867	3.75	8,939,820	5,874,251	5,759,841
Minnesota	2,004,164	2.18	4,470,214	4,925,407	2,207,729	2.46	5,885,421	6,676,739	6,664,068
Mississippi	1,955,804	2.12	4,362,349	4,806,558	2,164,730	2.42	5,770,793	6,676,739	6,664,068
Missouri	2,334,335	2.53	5,206,649	5,736,831	2,504,567	2.79	6,676,739	6,664,068	6,664,068

Table D.1 (continued)

State or Region	Nonurbanized Area		Nonurbanized Area		Nonurbanized Area	
	Population, 1990	% of U.S.	Population, 2000	% of U.S.	Population, 2003	2004
Montana	590,182	0.64	1,450,423	0.75	1,780,772	1,777,392
Nebraska	890,510	0.97	2,188,506	1.01	2,415,643	2,411,059
Nevada	290,738	0.32	714,514	0.36	858,257	856,628
New Hampshire	769,798	0.84	1,891,845	0.76	1,823,313	1,819,852
New Jersey	1,100,648	1.19	2,704,938	0.74	1,760,932	1,757,590
New Mexico	865,276	0.94	2,126,491	1.07	2,550,401	2,545,560
New York	3,874,413	4.21	9,521,706	3.87	9,255,315	9,237,750
North Carolina	4,115,771	4.47	10,114,864	4.78	11,432,239	11,410,542
North Dakota	436,466	0.47	1,072,653	0.46	1,096,729	1,094,647
Ohio	4,190,141	4.55	10,297,635	4.51	10,774,859	10,754,410
Oklahoma	1,791,242	1.94	4,402,133	2.19	5,243,722	5,233,770
Oregon	1,422,262	1.54	3,495,332	1.61	3,852,851	3,845,539
Pennsylvania	4,674,146	5.07	11,487,119	4.54	10,850,052	10,829,460
Puerto Rico	1,396,782	1.52	3,432,713	0.37	884,838	883,159
Rhode Island	178,930	0.19	399,097	0.13	320,432	319,824
South Carolina	2,059,964	2.24	4,594,674	2.39	5,700,044	5,689,227
South Dakota	532,018	0.58	1,307,480	0.63	1,493,555	1,490,721
Tennessee	2,659,178	2.89	5,931,199	3.04	7,263,205	7,249,420
Texas	5,614,264	6.09	13,797,541	6.76	16,144,128	16,113,489
Utah	403,299	0.44	899,544	0.54	1,293,163	1,290,708
Vermont	475,670	0.52	1,060,965	0.56	1,342,142	1,339,595
Virginia	2,357,619	2.56	5,258,583	2.64	6,305,245	6,293,279
Washington	1,651,954	1.79	3,684,623	1.77	4,239,511	4,231,465
West Virginia	1,404,637	1.52	3,132,991	1.44	3,447,683	3,441,140
Wisconsin	2,427,048	2.63	5,413,442	2.81	6,721,029	6,708,274
Wyoming	339,450	0.37	757,131	0.41	980,653	978,792
American Samoa	46,773	0.05	104,325	0.06	152,728	152,438
Guam	133,152	0.14	296,991	0.17	412,683	411,900
N. Mariana Islands	43,345	0.05	96,679	0.01	20,063	20,025
U.S. Virgin Islands	101,809	0.11	227,081	0.12	289,541	288,991

SOURCES: Federal Transit Administration; U.S. Census Bureau; internal calculations.

NOTE: Funds apportioned according to 1990 Census data for 2001 and 2002 and according to 2000 Census data for 2003 and 2004.





# Appendix E

---

Elderly and Persons with Disabilities Formula Program  
(Sec. 5310), Apportionments by State, Fiscal Years  
2002–2004

**Table E.1**  
**Elderly and Persons with Disabilities Formula Program, Apportionments by State, Fiscal Years 2002–2004**

State or Region	84,930,249			90,166,393			90,361,027				
	Census: EPD, 1990	% of U.S.	Predicted, 2002	Actual, 2002	% of U.S.	Predicted, 2003	Actual, 2003	% of U.S.	Predicted, 2004	Actual, 2004	% of U.S.
United States	44,620,829	100.00	84,930,249	84,930,249	100.00	90,166,393	90,166,393	100.00	90,361,027	90,361,027	100.00
Alabama	767,815	1.72	1,159,025	1,468,570	1.73	1,568,632	1,574,462	1.75	1,572,019	1,577,848	1.75
Alaska	45,129	0.10	91,664	203,969	0.24	124,059	239,634	0.27	124,326	239,902	0.27
Arizona	666,331	1.49	1,214,612	1,290,987	1.52	1,643,864	1,643,979	1.82	1,647,413	1,647,527	1.82
Arkansas	509,395	1.14	719,357	1,016,370	1.20	973,583	1,024,619	1.14	975,684	1,026,721	1.14
California	4,556,767	10.21	7,444,155	8,098,711	9.54	10,074,971	9,434,569	10.46	10,096,719	9,456,317	10.47
Colorado	496,667	1.11	822,815	994,098	1.17	1,113,604	1,154,002	1.28	1,116,007	1,156,406	1.28
Connecticut	582,240	1.30	797,880	1,143,839	1.35	1,079,856	1,122,819	1.25	1,082,187	1,125,150	1.25
Delaware	113,921	0.26	181,251	324,346	0.38	245,306	351,670	0.39	245,836	352,200	0.39
District of Columbia	112,409	0.25	146,310	321,700	0.38	198,017	307,973	0.34	198,444	308,401	0.34
Florida	3,045,664	6.83	4,722,104	5,454,489	6.42	6,390,928	6,030,405	6.69	6,404,724	6,044,201	6.69
Georgia	1,022,295	2.29	1,725,619	1,913,874	2.25	2,335,465	2,283,038	2.53	2,340,506	2,288,079	2.53
Hawaii	169,375	0.38	279,156	421,383	0.50	377,812	474,109	0.53	378,627	474,925	0.53
Idaho	175,433	0.39	262,955	431,983	0.51	355,885	453,848	0.50	356,653	454,617	0.50
Illinois	1,937,018	4.34	2,703,940	3,514,512	4.14	3,659,531	3,506,514	3.89	3,667,431	3,514,414	3.89
Indiana	973,568	2.18	1,388,451	1,828,609	2.15	1,879,139	1,861,380	2.06	1,883,196	1,865,436	2.06
Iowa	554,364	1.24	680,396	1,095,060	1.29	920,853	975,895	1.08	922,840	977,883	1.08
Kansas	450,218	1.01	602,321	912,819	1.07	815,185	878,255	0.97	816,945	880,015	0.97
Kentucky	732,102	1.64	1,062,764	1,406,077	1.66	1,438,352	1,454,080	1.61	1,441,457	1,457,184	1.61
Louisiana	734,761	1.65	1,057,767	1,410,730	1.66	1,431,589	1,447,830	1.61	1,434,679	1,450,921	1.61
Maine	241,849	0.54	324,420	548,202	0.65	439,072	530,716	0.59	440,020	531,663	0.59
Maryland	738,661	1.66	1,129,256	1,417,554	1.67	1,528,343	1,537,234	1.70	1,531,642	1,540,533	1.70
Massachusetts	1,103,513	2.47	1,523,516	2,055,994	2.42	2,061,937	2,030,290	2.25	2,066,388	2,034,741	2.25

Table E.1 (continued)

State or Region	Census: 1990		Census: 2000		Predicted, 2002		Actual, 2002		Predicted, 2003		Actual, 2003		Predicted, 2004		Actual, 2004		% of U.S.	
	EPD	% of U.S.	EPD	% of U.S.	Predicted	% of U.S.	Actual	% of U.S.	Predicted	% of U.S.	Actual	% of U.S.	Predicted	% of U.S.	Actual	% of U.S.	Predicted	% of U.S.
Michigan	1,644,277	3.68	2,236,961	3.36	3,129,679	3.36	3,002,256	3.53	3,027,518	3.53	2,922,516	3.24	3,034,054	3.24	2,929,051	3.24	3,034,054	3.24
Minnesota	750,343	1.68	986,579	1.48	1,428,185	1.48	1,437,996	1.69	1,335,243	1.69	1,358,804	1.51	1,338,125	1.51	1,361,686	1.51	1,338,125	1.51
Mississippi	492,326	1.10	721,622	1.08	937,082	1.08	986,502	1.16	976,648	1.16	1,027,452	1.14	978,756	1.14	1,029,560	1.14	978,756	1.14
Missouri	988,573	2.22	1,322,699	1.99	1,881,627	1.99	1,854,865	2.18	1,790,150	2.18	1,779,151	1.97	1,794,014	1.97	1,783,015	1.97	1,794,014	1.97
Montana	153,538	0.34	206,286	0.31	292,241	0.31	393,670	0.46	279,189	0.46	382,979	0.42	279,792	0.42	383,581	0.42	279,792	0.42
Nebraska	290,917	0.65	374,842	0.56	553,725	0.56	634,064	0.75	507,314	0.75	593,773	0.66	508,409	0.66	594,868	0.66	508,409	0.66
Nevada	193,417	0.43	474,557	0.71	368,145	0.71	463,453	0.55	642,269	0.55	718,475	0.80	643,655	0.80	719,862	0.80	643,655	0.80
New Hampshire	177,753	0.40	264,612	0.40	338,331	0.40	436,043	0.51	358,128	0.51	455,921	0.51	358,901	0.51	456,694	0.51	358,901	0.51
New Jersey	1,342,863	3.01	1,957,862	2.94	2,555,974	2.94	2,474,824	2.91	2,649,784	2.91	2,573,478	2.85	2,655,504	2.85	2,579,198	2.85	2,655,504	2.85
New Mexico	245,022	0.55	421,505	0.63	466,369	0.63	553,754	0.65	570,468	0.65	652,129	0.72	571,699	0.72	653,360	0.72	571,699	0.72
New York	3,230,062	7.24	4,742,963	7.12	6,148,025	7.12	5,777,160	6.80	6,419,159	6.80	6,056,491	6.72	6,433,015	6.72	6,070,348	6.72	6,433,015	6.72
North Carolina	1,174,973	2.63	1,938,742	2.91	2,236,416	2.91	2,181,039	2.57	2,623,907	2.57	2,549,567	2.83	2,629,571	2.83	2,555,231	2.83	2,629,571	2.83
North Dakota	117,329	0.26	147,648	0.22	223,321	0.22	330,309	0.39	199,828	0.39	309,647	0.34	200,259	0.34	310,078	0.34	200,259	0.34
Ohio	2,025,425	4.54	2,628,368	3.95	3,855,147	3.95	3,669,212	4.32	3,557,251	4.32	3,412,005	3.78	3,564,930	3.78	3,419,683	3.78	3,564,930	3.78
Oklahoma	619,459	1.39	861,283	1.29	1,179,064	1.29	1,208,967	1.42	1,165,666	1.42	1,202,110	1.33	1,168,183	1.33	1,204,626	1.33	1,168,183	1.33
Oregon	569,588	1.28	793,005	1.19	1,084,141	1.19	1,121,700	1.32	1,073,258	1.32	1,116,722	1.24	1,075,575	1.24	1,119,039	1.24	1,075,575	1.24
Pennsylvania	2,446,271	5.48	3,115,882	4.68	4,656,175	4.68	4,405,634	5.19	4,217,056	5.19	4,021,684	4.46	4,226,159	4.46	4,030,787	4.46	4,226,159	4.46
Puerto Rico	535,715	1.20	1,013,371	1.52	1,019,667	1.52	1,062,427	1.25	1,371,503	1.25	1,392,309	1.54	1,374,464	1.54	1,395,270	1.54	1,374,464	1.54
Rhode Island	205,385	0.46	268,707	0.40	390,925	0.40	484,395	0.57	363,670	0.57	461,042	0.51	364,455	0.51	461,827	0.51	364,455	0.51
South Carolina	595,775	1.34	1,000,296	1.50	1,133,984	1.50	1,167,523	1.37	1,353,808	1.37	1,375,958	1.53	1,356,730	1.53	1,378,880	1.53	1,356,730	1.53
South Dakota	133,881	0.30	170,369	0.26	254,826	0.26	359,273	0.42	230,579	0.42	338,061	0.37	231,076	0.37	338,559	0.37	231,076	0.37
Tennessee	922,850	2.07	1,422,884	2.14	1,756,531	2.14	1,739,859	2.05	1,925,741	2.05	1,904,441	2.11	1,929,898	2.11	1,908,598	2.11	1,929,898	2.11
Texas	2,529,424	5.67	4,387,946	6.59	4,814,447	6.59	4,551,140	5.36	5,938,676	5.36	5,612,511	6.22	5,951,496	6.22	5,625,331	6.22	5,951,496	6.22
Utah	222,212	0.50	371,512	0.56	422,953	0.56	513,840	0.61	502,807	0.61	589,608	0.65	503,892	0.65	590,694	0.65	503,892	0.65
Vermont	95,096	0.21	134,691	0.20	181,004	0.20	291,405	0.34	182,292	0.34	293,443	0.33	182,685	0.33	293,836	0.33	182,685	0.33
Virginia	963,662	2.16	1,504,663	2.26	1,834,212	2.26	1,811,275	2.13	2,036,421	2.13	2,006,713	2.23	2,040,817	2.23	2,011,109	2.23	2,040,817	2.23
Washington	854,993	1.92	1,268,737	1.90	1,627,374	1.90	1,621,119	1.91	1,717,117	1.91	1,711,667	1.90	1,720,824	1.90	1,715,373	1.90	1,720,824	1.90
West Virginia	411,142	0.92	524,156	0.79	782,558	0.79	844,441	0.99	709,396	0.99	780,503	0.87	710,928	0.87	782,034	0.87	710,928	0.87
Wisconsin	874,786	1.96	1,152,252	1.73	1,665,047	1.73	1,655,754	1.95	1,559,466	1.95	1,565,992	1.74	1,562,832	1.74	1,569,358	1.74	1,562,832	1.74

Table E.1 (continued)

State or Region	Census: 1990		Census: 2000		2002		2003		2004		Actual, 2004		% of U.S.	
	EPD	% of U.S.	EPD	% of U.S.	Predicted	% of U.S.	Predicted	% of U.S.	Predicted	% of U.S.	Actual	% of U.S.	Predicted	% of U.S.
Wyoming	67,463	0.15	104,186	0.16	128,408	0.16	243,051	0.29	141,006	0.28	255,294	0.28	141,310	0.28
American Samoa	1,777	0.00	8,020	0.01	3,382	0.01	53,110	0.06	10,854	0.07	60,030	0.07	10,878	0.07
Guam	5,910	0.01	25,620	0.04	11,249	0.04	135,342	0.16	34,674	0.17	157,040	0.17	34,749	0.17
N. Mariana Islands	1,623	0.00	8,743	0.01	3,089	0.01	52,840	0.06	11,833	0.07	60,934	0.07	11,858	0.07
U.S. Virgin Islands	7,504	0.02	20,488	0.03	14,283	0.03	138,131	0.16	27,729	0.17	150,622	0.17	27,788	0.17

SOURCES: Federal Transit Administration; U.S. Census Bureau; internal calculations.

# Appendix F

---

## Fixed Guideway Modernization Program (Sec. 5309), Apportionments, Fiscal Years 2003 and 2004

NOTE: For additional information, see also the web-only tables.

**Table F.1a**  
**Fixed Guideway Modernization Program, Apportionments by State, Fiscal Years**  
**2003 and 2004**

State or Region	2003			2004		
	Total (\$)	Per Capita (\$)	% of U.S.	Total (\$)	Per Capita (\$)	% of U.S.
United States	1,194,525,369	4.08	100.00	1,187,393,739	4.06	100.00
Alabama	0	—	—	0	—	—
Alaska	2,275,498	3.53	0.19	2,039,405	3.17	0.17
Arizona	2,576,161	0.47	0.22	2,300,373	0.42	0.19
Arkansas	0	—	—	0	—	—
California	146,247,070	4.16	12.24	144,938,975	4.13	12.21
Colorado	2,934,066	0.65	0.25	3,041,909	0.67	0.26
Connecticut	40,310,522	11.65	3.37	40,667,778	11.75	3.42
Delaware	0	—	—	0	—	—
District of Columbia	68,094,661	119.28	5.70	63,862,240	111.86	5.38
Florida	19,096,161	1.14	1.60	17,746,299	1.06	1.49
Georgia	24,974,158	2.92	2.09	26,718,394	3.12	2.25
Hawaii	1,148,189	0.92	0.10	1,118,490	0.90	0.09
Idaho	0	—	—	0	—	—
Illinois	139,131,661	11.04	11.65	141,362,143	11.22	11.91
Indiana	789,044	0.13	0.07	703,817	0.11	0.06
Iowa	0	—	—	0	—	—
Kansas	0	—	—	0	—	—
Kentucky	0	—	—	0	—	—
Louisiana	2,959,087	0.66	0.25	2,843,412	0.63	0.24
Maine	0	—	—	0	—	—
Maryland	28,561,203	5.23	2.39	27,828,336	5.10	2.34
Massachusetts	71,853,959	11.18	6.02	71,402,094	11.11	6.01
Michigan	653,975	0.07	0.05	591,335	0.06	0.05
Minnesota	6,225,814	1.24	0.52	5,993,572	1.19	0.50
Mississippi	0	—	—	0	—	—
Missouri	4,505,207	0.79	0.38	4,221,411	0.74	0.36
Montana	0	—	—	0	—	—
Nebraska	0	—	—	0	—	—
Nevada	0	—	—	0	—	—
New Hampshire	0	—	—	0	—	—
New Jersey	87,275,427	10.16	7.31	88,597,029	10.31	7.46
New Mexico	0	—	—	0	—	—
New York	367,272,492	19.17	30.75	365,168,113	19.06	30.75
North Carolina	0	—	—	0	—	—
North Dakota	0	—	—	0	—	—
Ohio	17,057,145	1.49	1.43	17,658,039	1.55	1.49
Oklahoma	0	—	—	0	—	—
Oregon	4,457,988	1.27	0.37	4,181,173	1.19	0.35
Pennsylvania	116,410,407	9.44	9.75	115,074,246	9.33	9.69
Puerto Rico	2,417,921	0.63	0.20	2,252,934	0.58	0.19
Rhode Island	2,831,632	2.65	0.24	2,713,999	2.54	0.23
South Carolina	0	—	—	0	—	—
South Dakota	0	—	—	0	—	—

Table F.1a (continued)

State or Region	2003			2004		
	Total (\$)	Per Capita (\$)	% of U.S.	Total (\$)	Per Capita (\$)	% of U.S.
Tennessee	318,044	0.05	0.03	284,836	0.05	0.02
Texas	8,416,760	0.39	0.70	9,982,228	0.46	0.84
Utah	0	—	—	0	—	—
Vermont	0	—	—	0	—	—
Virginia	1,351,575	0.19	0.11	1,235,828	0.17	0.10
Washington	23,567,344	3.88	1.97	22,120,743	3.64	1.86
West Virginia	0	—	—	0	—	—
Wisconsin	812,198	0.15	0.07	744,588	0.14	0.06
Wyoming	0	—	—	0	—	—
American Samoa	0	—	—	0	—	—
Guam	0	—	—	0	—	—
N. Mariana Islands	0	—	—	0	—	—
U.S. Virgin Islands	0	—	—	0	—	—

SOURCES: Federal Transit Administration; U.S. Census Bureau; internal calculations.

NOTES: Multistate urbanized areas are assigned to primary state only, regardless of population or transit service levels in other states. Funding figures for 2004 are tentative.





# Appendix G

---

## Job Access and Reverse Commute Program, Allocations by State, Fiscal Years 2003 and 2004

NOTE: For additional information, see also the web-only tables.

**Table G.1**  
**Job Access and Reverse Commute Program, Allocations by State, Fiscal Years**  
**2003 and 2004**

State or Region	2003			2004		
	Total (\$)	Per Capita (\$)	% of U.S.	Total (\$)	Per Capita (\$)	% of U.S.
United States	104,019,450	0.36	100.00	104,380,500	0.36	100.00
Alabama	2,972,013	0.66	2.86	4,460,669	0.99	4.27
Alaska	1,188,804	1.85	1.14	1,610,797	2.50	1.54
Arizona	1,832,741	0.34	1.76	1,734,705	0.32	1.66
Arkansas	0	—	—	446,067	0.16	0.43
California	8,742,670	0.25	8.40	5,515,370	0.16	5.28
Colorado	792,537	0.18	0.76	0	—	—
Connecticut	3,467,348	1.00	3.33	3,221,594	0.93	3.09
Delaware	743,003	0.92	0.71	743,445	0.92	0.71
District of Columbia	3,194,914	5.60	3.07	1,982,520	3.47	1.90
Florida	3,492,115	0.21	3.36	3,469,409	0.21	3.32
Georgia	1,201,684	0.14	1.16	991,260	0.12	0.95
Hawaii	0	—	—	0	—	—
Idaho	0	—	—	0	—	—
Illinois	2,159,662	0.17	2.08	817,789	0.06	0.78
Indiana	1,733,674	0.28	1.67	743,445	0.12	0.71
Iowa	990,671	0.34	0.95	991,260	0.34	0.95
Kansas	1,664,326	0.61	1.60	2,914,304	1.07	2.79
Kentucky	0	—	—	297,378	0.07	0.28
Louisiana	99,067	0.02	0.10	0	—	—
Maine	0	—	—	489,682	0.38	0.47
Maryland	4,953,354	0.91	4.76	5,253,677	0.96	5.03
Massachusetts	2,006,108	0.31	1.93	674,056	0.10	0.65
Michigan	1,969,453	0.20	1.89	3,667,662	0.36	3.51
Minnesota	990,671	0.20	0.95	545,193	0.11	0.52
Mississippi	0	—	—	—	—	—
Missouri	5,572,524	0.98	5.36	4,460,669	0.79	4.27
Montana	0	—	—	0	—	—
Nebraska	0	—	—	0	—	—
Nevada	0	—	—	495,630	0.23	0.47
New Hampshire	49,534	0.04	0.05	0	—	—
New Jersey	4,953,354	0.58	4.76	5,005,862	0.58	4.80
New Mexico	0	—	—	594,756	0.32	0.57
New York	3,170,146	0.17	3.05	8,846,994	0.46	8.48
North Carolina	1,758,441	0.21	1.69	0	—	—
North Dakota	0	—	—	49,563	0.08	0.05
Ohio	1,585,074	0.14	1.52	2,081,646	0.18	1.99
Oklahoma	4,953,354	1.42	4.76	5,947,550	1.70	5.70
Oregon	3,071,079	0.87	2.95	1,090,386	0.31	1.04
Pennsylvania	9,480,724	0.77	9.11	8,072,819	0.65	7.73
Puerto Rico	0	—	—	0	—	—
Rhode Island	2,724,345	2.55	2.62	1,399,659	1.31	1.34
South Carolina	0	—	—	0	—	—
South Dakota	0	—	—	247,815	0.33	0.24

**Table G.1 (continued)**

State or Region	2003			2004		
	Total (\$)	Per Capita (\$)	% of U.S.	Total (\$)	Per Capita (\$)	% of U.S.
Tennessee	2,724,344	0.47	2.62	7,112,288	1.23	6.81
Texas	6,135,225	0.28	5.90	5,457,876	0.25	5.23
Utah	0	—	—	0	—	—
Vermont	0	—	—	247,815	0.40	0.24
Virginia	2,303,310	0.32	2.21	1,645,492	0.23	1.58
Washington	5,201,022	0.86	5.00	4,708,484	0.78	4.51
West Virginia	990,671	0.55	0.95	991,260	0.55	0.95
Wisconsin	5,151,488	0.95	4.95	2,577,275	0.47	2.47
Wyoming	0	—	—	0	—	—
American Samoa	0	—	—	0	—	—
Guam	0	—	—	0	—	—
N. Mariana Islands	0	—	—	0	—	—
U.S. Virgin Islands	0	—	—	0	—	—
Not allocated by state	0	—	—	2,776,379	—	2.66

SOURCES: Federal Transit Administration; U.S. Census Bureau; internal calculations.

NOTES: Multistate urbanized areas are assigned to primary state only, regardless of population or transit service levels in other states. Funding figures for 2004 are tentative.



# Appendix H

---

## Tables Related to Provisions Proposed in Bush Administration SAFETEA Bill: Proxy Tables to Assess Effect of Creating an Incentive Tier for the Urbanized Area Formula Program

NOTE: For additional information, see also the web-only tables.

**Table H.1a**  
**Proxy Table to Assess Effect of Creating an Incentive Tier for the Urbanized Area Formula Program as Proposed in Bush Administration**  
**SAFETEA Bill, Total and Percentage Change in Annual Passenger Miles, 1997–2001**

State or Region	Change, 1997–2001									
	1997	1998	1999	2000	2001	Change, All	%	Change, Increase Only	% of U.S.	
United States	0,163,884,754	41,608,024,839	43,274,116,733	45,081,790,494	46,504,185,659	6,340,300,905	15.79 (61.40)	6,446,691,688	100.00	
Alabama	77,670,076	14,031,128	27,460,403	29,251,683	29,977,553	-47,692,523	(61.40)	0	—	
Alaska	16,801,509	17,143,798	18,241,897	19,283,483	19,587,633	2,786,124	16.58	2,786,124	0.04	
Arizona	216,689,876	219,861,632	233,313,177	237,627,444	243,685,034	26,995,158	12.46	26,995,158	0.42	
Arkansas	19,194,624	18,268,641	19,682,249	18,861,572	19,550,465	355,841	1.85	355,841	0.01	
California	5,540,407,167	5,823,228,120	5,937,076,373	6,260,989,178	6,653,538,904	1,113,131,737	20.09	1,113,131,737	17.27	
Colorado	343,536,995	353,227,591	393,443,218	398,333,271	417,362,472	73,805,477	21.48	73,805,477	1.14	
Connecticut	142,756,082	196,156,253	216,597,180	203,964,780	239,293,515	96,537,433	67.62	96,537,433	1.50	
Delaware	35,915,780	38,116,764	39,574,269	39,818,294	41,868,433	5,952,653	16.57	5,952,653	0.09	
District of Columbia	1,499,203,392	1,481,802,699	1,521,279,396	1,645,802,645	1,825,314,180	326,110,788	21.75	326,110,788	5.06	
Florida	927,538,180	957,005,076	979,588,985	999,641,009	1,061,808,594	134,270,414	14.48	134,270,414	2.08	
Georgia	864,637,233	795,118,490	836,632,711	832,980,952	903,713,293	39,076,060	4.52	39,076,060	0.61	
Hawaii	341,819,750	378,274,463	354,239,841	327,809,046	370,571,443	28,751,693	8.41	28,751,693	0.45	
Idaho	6,695,930	7,599,107	7,237,876	7,417,744	7,481,052	785,122	11.73	785,122	0.01	
Illinois	3,372,527,567	3,508,001,968	3,512,917,358	3,697,777,348	3,682,406,736	309,879,169	9.19	309,879,169	4.81	
Indiana	181,096,726	183,304,480	196,108,172	205,147,167	210,801,213	29,704,487	16.40	29,704,487	0.46	
Iowa	63,586,859	35,400,706	55,776,807	49,530,507	46,575,442	-17,011,417	(26.75)	0	—	
Kansas	18,668,388	19,371,743	20,488,826	21,397,074	22,720,766	4,052,378	21.71	4,052,378	0.06	
Kentucky	87,831,447	83,278,316	98,099,551	97,265,994	94,889,428	7,057,981	8.04	7,057,981	0.11	
Louisiana	220,528,870	250,278,224	239,232,135	230,595,053	223,822,216	3,293,346	1.49	3,293,346	0.05	
Maine	9,544,379	7,019,102	11,867,088	12,164,623	12,667,473	3,123,094	32.72	3,123,094	0.05	
Maryland	594,603,128	615,083,994	634,798,158	684,286,329	695,502,088	100,898,960	16.97	100,898,960	1.57	
Massachusetts	1,501,185,355	1,677,976,525	1,868,047,177	1,806,341,971	1,933,016,953	431,831,598	28.77	431,831,598	6.70	
Michigan	362,408,091	373,373,241	372,844,490	404,531,500	389,015,296	26,607,205	7.34	26,607,205	0.41	
Minnesota	284,852,249	269,709,484	351,453,768	378,532,329	378,208,637	93,356,388	32.77	93,356,388	1.45	

Table H.1a (continued)

State or Region	Changes, 1997-2001									
	1997	1998	1999	2000	2001	Change, All	%	Change, Increase Only	% of U.S.	
Mississippi	4,397,900	5,783,665	6,246,770	6,814,218	6,301,312	1,903,412	43.28	1,903,412	0.03	
Missouri	304,883,274	316,781,554	323,824,620	321,206,211	300,716,597	-4,166,677	(1.37)	0	—	
Montana	5,813,349	3,427,773	2,612,600	5,751,986	6,239,647	426,298	7.33	426,298	0.01	
Nebraska	26,349,812	28,114,960	27,007,360	24,278,677	23,079,406	-3,270,406	(12.41)	0	—	
Nevada	161,255,527	170,936,583	191,906,537	191,066,596	200,658,562	39,403,035	24.44	39,403,035	0.61	
New Hampshire	5,108,269	3,601,368	3,874,824	3,881,418	3,302,703	-1,805,566	(35.35)	0	—	
New Jersey	2,922,665,926	3,087,769,470	3,158,651,532	3,225,094,671	3,426,680,497	504,014,571	17.25	504,014,571	7.82	
New Mexico	27,869,771	28,464,666	25,831,392	24,272,729	32,469,766	4,599,995	16.51	4,599,995	0.07	
New York	3,654,455,465	14,180,750,439	14,835,986,136	15,766,791,987	15,892,030,422	2,237,574,957	16.39	2,237,574,957	34.71	
North Carolina	121,327,785	132,942,333	142,553,498	151,853,164	166,072,908	44,745,123	36.88	44,745,123	0.69	
North Dakota	2,700,294	3,761,656	3,957,986	4,135,383	4,246,161	1,545,867	57.25	1,545,867	0.02	
Ohio	605,963,666	638,349,799	631,289,973	641,750,301	623,869,350	17,905,684	2.95	17,905,684	0.28	
Oklahoma	30,565,615	33,008,937	35,996,444	36,424,599	37,605,730	7,040,115	23.03	7,040,115	0.11	
Oregon	337,113,913	352,418,391	389,717,287	404,290,142	413,986,164	76,872,251	22.80	76,872,251	1.19	
Pennsylvania	1,724,413,741	1,657,092,166	1,769,558,091	1,851,858,255	1,844,594,091	120,180,350	6.97	120,180,350	1.86	
Puerto Rico	337,568,857	345,692,575	364,956,119	322,268,255	308,626,309	-28,942,548	(8.57)	0	—	
Rhode Island	48,751,964	44,865,010	46,929,456	45,712,446	46,670,851	-2,081,113	(4.27)	0	—	
South Carolina	53,405,735	59,807,652	60,729,556	56,838,680	59,815,418	6,409,683	12.00	6,409,683	0.10	
South Dakota	2,876,774	3,552,130	3,654,381	3,725,369	4,008,397	1,131,623	39.34	1,131,623	0.02	
Tennessee	115,112,450	123,845,337	116,988,750	116,773,260	128,802,097	13,689,647	11.89	13,689,647	0.21	
Texas	1,232,476,135	1,312,673,609	1,409,589,960	1,421,194,513	1,562,476,100	329,999,965	26.78	329,999,965	5.12	
Utah	115,641,875	114,944,080	109,106,137	138,970,308	149,597,406	33,955,531	29.36	33,955,531	0.53	
Vermont	6,097,452	5,955,274	4,723,046	4,707,900	4,983,523	-1,113,929	(18.27)	0	—	
Virginia	201,540,887	271,511,591	257,868,067	288,332,387	314,624,806	113,083,919	56.11	113,083,919	1.75	
Washington	1,092,528,942	1,062,324,565	1,102,853,188	1,117,083,318	1,112,433,590	19,904,648	1.82	19,904,648	0.31	
West Virginia	15,761,079	15,416,128	14,946,984	15,222,871	15,454,475	-306,604	(1.95)	0	—	
Wisconsin	277,159,686	281,212,570	286,336,632	281,602,586	290,857,838	13,698,152	4.94	13,698,152	0.21	
Wyoming	358,958	389,013	418,302	537,268	602,714	243,756	67.91	243,756	0.00	

SOURCE: National Transit Database.

Table H.1b

**Proxy Table to Assess Effect of Creating an Incentive Tier for the Urbanized Area Formula  
Program as Proposed in Bush Administration SAFETEA Bill, Total and Percentage  
Change in Operating Expenses per Passenger Mile, 1997–2001**

State or Region	1997	1998	1999	2000	2001	Change, 1997–2001		
						No.	%	% of U.S.
United States	0.43	0.37	0.45	0.46	0.48	0.05	10.90	100.0
Alabama	0.12	1.46	0.72	0.82	0.92	0.80	676.39	191.2
Alaska	0.68	0.74	0.70	0.67	0.75	0.07	9.93	155.7
Arizona	0.48	0.31	0.61	0.69	0.81	0.34	70.72	169.2
Arkansas	0.47	0.56	0.52	0.58	0.61	0.13	28.67	125.9
California	0.46	0.33	0.50	0.51	0.52	0.06	12.40	107.6
Colorado	0.56	0.52	0.57	0.62	0.66	0.10	18.01	136.5
Connecticut	0.81	0.55	0.55	0.55	0.53	(0.28)	(34.48)	109.8
Delaware	0.97	0.65	1.04	1.16	1.24	0.27	28.25	258.6
District of Columbia	0.41	0.44	0.44	0.44	0.44	0.03	6.35	91.4
Florida	0.55	0.48	0.56	0.58	0.63	0.08	14.93	130.5
Georgia	0.33	0.36	0.37	0.40	0.41	0.08	23.83	84.3
Hawaii	0.34	0.29	0.29	0.36	0.34	0.00	0.96	71.5
Idaho	0.69	0.70	0.63	0.84	0.90	0.21	29.78	186.4
Illinois	0.39	0.37	0.38	0.38	0.41	0.01	3.76	84.7
Indiana	0.48	0.39	0.50	0.56	0.55	0.08	16.57	115.3
Iowa	0.41	0.52	0.50	0.57	0.72	0.31	75.47	149.2
Kansas	0.61	0.57	0.69	0.69	0.85	0.25	40.35	177.2
Kentucky	0.56	0.16	0.62	0.66	0.72	0.16	29.35	150.3
Louisiana	0.52	0.48	0.54	0.58	0.65	0.13	25.48	134.9
Maine	0.78	1.32	0.84	0.90	0.92	0.14	18.28	191.1
Maryland	0.50	0.26	0.51	0.51	0.55	0.05	10.01	113.4
Massachusetts	0.44	0.32	0.43	0.45	0.44	(0.00)	(0.44)	92.0
Michigan	0.76	0.63	0.90	0.87	1.01	0.26	33.58	210.9
Minnesota	0.52	0.61	0.65	0.63	0.70	0.18	34.76	145.7
Mississippi	1.44	1.20	1.09	1.13	1.32	(0.13)	(8.72)	273.7
Missouri	0.56	0.56	0.58	0.63	0.71	0.15	25.87	147.6
Montana	0.89	1.65	1.67	1.13	1.16	0.27	30.92	241.2
Nebraska	0.75	0.72	0.76	0.89	0.97	0.22	28.66	200.9
Nevada	0.37	0.34	0.34	0.38	0.40	0.02	6.28	82.3
New Hampshire	0.73	0.78	0.74	0.78	1.05	0.31	42.65	217.2
New Jersey	0.34	0.19	0.33	0.34	0.35	0.01	3.21	72.7
New Mexico	0.90	0.89	1.00	0.94	0.98	0.07	8.11	202.7
New York	0.37	0.36	0.38	0.38	0.41	0.03	9.04	84.4
North Carolina	0.51	0.46	0.51	0.58	0.60	0.09	17.02	124.5
North Dakota	0.81	1.00	1.00	1.09	1.07	0.26	32.24	223.1
Ohio	0.65	0.41	0.70	0.75	0.82	0.17	26.36	171.1
Oklahoma	0.66	0.59	0.73	0.79	0.83	0.17	25.92	171.8
Oregon	0.54	0.52	0.56	0.59	0.60	0.07	12.52	125.6
Pennsylvania	0.56	0.57	0.57	0.57	0.60	0.04	6.62	124.6
Puerto Rico	0.26	0.30	0.28	0.29	0.40	0.14	53.36	83.5
Rhode Island	0.68	0.82	0.82	1.07	1.19	0.51	74.61	247.8
South Carolina	0.44	0.48	0.43	0.54	0.60	0.16	35.68	124.0
South Dakota	1.28	0.73	1.14	1.25	1.25	(0.03)	(2.14)	260.1



Table H.1b (continued)

State or Region	1997	1998	1999	2000	2001	Change, 1997–2001		
						No.	%	% of U.S.
Tennessee	0.53	0.55	0.63	0.69	0.68	0.15	27.51	140.4
Texas	0.58	0.25	0.55	0.57	0.55	(0.03)	(4.68)	114.2
Utah	0.57	0.56	0.71	0.68	0.73	0.16	27.71	151.3
Vermont	0.52	0.64	0.69	0.75	0.84	0.33	62.61	175.6
Virginia	0.43	0.40	0.46	0.48	0.48	0.05	10.72	99.7
Washington	0.56	0.57	0.65	0.65	0.71	0.16	27.98	148.6
West Virginia	0.73	0.75	0.83	0.94	0.97	0.24	32.92	201.9
Wisconsin	0.60	0.60	0.67	0.66	0.69	0.09	14.22	142.7
Wyoming	1.60	1.52	1.45	1.39	1.39	(0.21)	(12.90)	289.3

SOURCE: National Transit Database.



# Appendix I

---

## Tables Related to Provisions Proposed in House-Passed TEA-LU Bill (H.R. 3550)

NOTE: For additional information, see also the web-only tables.

**Table I.1**  
**Formula Program Apportionments, Actual and Predicted Amounts, with Program Allocation Percentage Mixture as Proposed in House-Passed TEA-LU Bill (H.R. 3550), by State, Fiscal Year 2004**

	Actual Apportionment, TEA-21 (\$) and % of Formula Grants						Predicted Apportionment, TEA-LU (\$) and % of Formula Grants						Change from TEA-21	
	UAF	NAF	EPD	Total	% of U.S.		UAF	NAF	EPD	Total	% of U.S.		\$	%
	91.2	6.4	2.4	100.0	U.S.		89.5	8.0	2.5	100.0	U.S.			
United States	3,411,519,527	238,501,062	90,361,027	3,740,381,616	100.00	3,346,810,925	299,469,282	94,101,409	3,740,381,616	100.00		0		
Alabama	15,003,705	6,667,593	1,577,848	23,249,146	0.62	14,719,120	8,372,035	1,643,161	24,734,316	0.66		1,485,170	6.00	
Alaska	3,662,017	929,305	239,902	4,831,224	0.13	3,592,557	1,166,863	249,832	5,009,253	0.13		178,029	3.55	
Arizona	44,407,028	3,252,704	1,647,527	49,307,259	1.32	43,564,730	4,084,196	1,715,724	49,364,650	1.32		57,391	0.12	
Arkansas	7,671,077	4,823,046	1,026,721	13,520,844	0.36	7,525,574	6,055,965	1,069,221	14,650,761	0.39		1,129,917	7.71	
California	585,722,712	10,249,275	9,456,317	605,428,304	16.19	574,612,913	12,869,305	9,847,749	597,329,967	15.97		-8,098,337	-1.36	
Colorado	47,009,989	2,895,675	1,156,406	51,062,070	1.37	46,118,319	3,635,898	1,204,274	50,958,491	1.36		-103,579	-0.20	
Connecticut	56,897,586	1,482,228	1,125,150	59,504,964	1.59	55,818,371	1,861,131	1,171,724	58,851,226	1.57		-653,738	-1.11	
Delaware	624,206	672,024	352,200	1,648,430	0.04	612,366	843,815	366,779	1,822,960	0.05		174,529	9.57	
District of Columbia	118,855,148	—	308,401	119,163,549	3.19	116,600,742	0	321,167	116,921,909	3.13		-2,241,640	-1.92	
Florida	165,408,213	6,684,574	6,044,201	178,136,988	4.76	162,270,803	8,393,357	6,294,393	176,958,554	4.73		-1,178,434	-0.67	
Georgia	67,319,067	8,451,488	2,288,079	78,058,634	2.09	66,042,181	10,611,949	2,382,791	79,036,920	2.11		978,287	1.24	
Hawaii	26,386,658	999,450	474,925	27,861,033	0.74	25,886,164	1,254,941	494,584	27,635,689	0.74		-225,344	-0.82	
Idaho	5,672,389	1,836,315	454,617	7,963,321	0.21	5,564,797	2,305,733	473,435	8,343,965	0.22		380,645	4.56	
Illinois	223,044,982	7,135,696	3,514,414	233,695,092	6.25	218,814,337	8,959,800	3,659,889	231,434,026	6.19		-2,261,067	-0.98	
Indiana	25,332,218	7,103,057	1,865,436	34,300,711	0.92	24,851,725	8,918,817	1,942,653	35,713,195	0.95		1,412,484	3.96	
Iowa	14,432,001	4,820,069	977,883	20,229,953	0.54	14,158,259	6,052,227	1,018,361	21,228,847	0.57		998,895	4.71	
Kansas	6,912,521	3,939,493	880,015	11,732,029	0.31	6,781,407	4,946,549	916,442	12,644,398	0.34		912,369	7.22	
Kentucky	16,117,625	6,585,421	1,457,184	24,160,230	0.65	15,811,911	8,268,857	1,517,502	25,598,270	0.68		1,438,041	5.62	
Louisiana	29,345,626	5,144,225	1,450,921	35,940,772	0.96	28,789,008	6,459,247	1,510,980	36,759,235	0.98		818,463	2.23	
Maine	3,046,639	2,556,919	531,663	6,135,221	0.16	2,988,851	3,210,547	553,671	6,753,069	0.18		617,847	9.15	

Table I.1 (continued)

	Actual Apportionment, TEA-21 (\$) and % of Formula Grants					Predicted Apportionment, TEA-LU (\$) and % of Formula Grants					Change from TEA-21	
	UAF	NAF	EPD	Total	% of U.S.	UAF	NAF	EPD	Total	% of U.S.	\$	%
	91.2	6.4	2.4	100.0	U.S.	89.5	8.0	2.5	100.0	U.S.		
Maryland	42,353,420	2,658,175	1,540,533	46,552,128	1.24	41,550,074	3,337,686	1,604,301	46,492,062	1.24	-60,066	-0.13
Massachusetts	116,984,469	1,899,702	2,034,741	120,918,912	3.23	114,765,545	2,385,324	2,118,967	119,269,836	3.19	-1,649,076	-1.38
Michigan	66,521,299	8,939,821	2,929,051	78,390,171	2.10	65,259,544	11,225,115	3,050,295	79,534,955	2.13	1,144,784	1.44
Minnesota	42,597,566	5,874,251	1,361,686	49,833,503	1.33	41,789,589	7,375,891	1,418,051	50,583,531	1.35	750,028	1.48
Mississippi	4,780,472	5,759,841	1,029,560	11,569,873	0.31	4,689,798	7,232,234	1,072,177	12,994,208	0.35	1,424,336	10.96
Missouri	43,852,306	6,664,068	1,783,015	52,299,389	1.40	43,020,530	8,367,609	1,856,821	53,244,959	1.42	945,570	1.78
Montana	2,568,467	1,777,392	383,581	4,729,440	0.13	2,519,749	2,231,748	399,459	5,150,956	0.14	421,516	8.18
Nebraska	8,544,469	2,411,059	594,868	11,550,396	0.31	8,382,400	3,027,400	619,492	12,029,292	0.32	478,896	3.98
Nevada	23,918,882	856,628	719,862	25,495,372	0.68	23,465,196	1,075,609	749,660	25,290,465	0.68	-204,907	-0.81
New Hampshire	4,334,932	1,819,852	456,694	6,611,478	0.18	4,252,708	2,285,063	475,598	7,013,369	0.19	401,891	5.73
New Jersey	13,382,197	1,757,590	2,579,198	17,718,985	0.47	13,128,368	2,206,885	2,685,961	18,021,213	0.48	302,228	1.68
New Mexico	8,903,283	2,545,560	653,360	12,102,203	0.32	8,734,408	3,196,284	680,405	12,611,098	0.34	508,894	4.04
New York	713,018,859	9,237,750	6,070,348	728,326,957	19.47	699,494,547	11,599,203	6,321,622	717,415,373	19.18	-10,911,584	-1.52
North Carolina	37,154,269	11,410,542	2,555,231	51,120,042	1.37	36,449,539	14,327,428	2,661,002	53,437,969	1.43	2,317,927	4.34
North Dakota	3,040,342	1,094,647	310,078	4,445,067	0.12	2,982,674	1,374,473	322,913	4,680,060	0.13	234,993	5.02
Ohio	89,775,870	10,754,410	3,419,683	103,949,963	2.78	88,073,030	13,503,569	3,561,236	105,137,836	2.81	1,187,872	1.13
Oklahoma	14,367,073	5,233,770	1,204,626	20,805,469	0.56	14,094,563	6,571,683	1,254,490	21,920,736	0.59	1,115,267	5.09
Oregon	40,070,026	3,845,539	1,119,039	45,034,604	1.20	39,309,991	4,828,577	1,165,360	45,303,928	1.21	269,324	0.59
Pennsylvania	175,153,641	10,829,460	4,030,787	190,013,888	5.08	171,831,383	13,597,804	4,197,636	189,626,823	5.07	-387,065	-0.20
Puerto Rico	42,828,120	883,159	1,395,270	45,106,549	1.21	42,015,770	1,108,922	1,453,025	44,577,717	1.19	-528,832	-1.19

Table I.1 (continued)

	Actual Apportionment, TEA-21 (\$) and % of Formula Grants				Predicted Apportionment, TEA-LU (\$) and % of Formula Grants				Change from TEA-21			
	UAF	NAF	EPD	Total	% of U.S.	UAF	NAF	EPD	Total	% of U.S.	\$	%
	91.2	6.4	2.4	100.0	0.51	89.5	8.0	2.5	100.0	0.50		
Rhode Island	18,314,441	319,824	461,827	19,096,092	0.51	17,967,059	401,581	480,944	18,849,583	0.50	-246,509	-1.31
South												
Carolina	13,663,715	5,689,227	1,378,880	20,731,822	0.55	13,404,546	7,143,568	1,435,957	21,984,071	0.59	1,252,250	5.70
South Dakota	2,336,117	1,490,721	338,559	4,165,397	0.11	2,291,806	1,871,795	352,573	4,516,175	0.12	350,778	7.77
Tennessee	28,884,931	7,249,420	1,908,598	38,042,949	1.02	28,337,051	9,102,595	1,987,602	39,427,248	1.05	1,384,299	3.51
Texas	195,416,711	16,113,489	5,625,331	217,155,531	5.81	191,710,110	20,232,594	5,858,185	217,800,888	5.82	645,357	0.30
Utah	28,597,076	1,290,708	590,694	30,478,478	0.81	28,054,656	1,620,653	615,145	30,290,454	0.81	-188,024	-0.62
Vermont	1,038,637	1,339,595	293,836	2,672,068	0.07	1,018,936	1,682,036	305,999	3,006,972	0.08	334,904	11.14
Virginia	30,058,296	6,293,279	2,011,109	38,362,684	1.03	29,488,160	7,902,035	2,094,356	39,484,552	1.06	1,121,867	2.84
Washington	90,306,424	4,231,465	1,715,373	96,253,262	2.57	88,593,521	5,313,157	1,786,379	95,693,057	2.56	-560,205	-0.59
West Virginia	4,925,078	3,441,140	782,034	9,148,252	0.24	4,831,661	4,320,801	814,405	9,966,867	0.27	818,615	8.21
Wisconsin	38,909,402	6,708,274	1,569,358	47,187,034	1.26	38,171,381	8,423,115	1,634,320	48,228,816	1.29	1,041,782	2.16
Wyoming	1,374,734	978,792	255,598	2,609,124	0.07	1,348,658	1,229,002	266,178	2,843,838	0.08	234,714	8.25
American												
Samoa	0	152,438	60,053	212,491	0.01	0	191,406	62,539	253,945	0.01	41,454	16.32
Guam	0	411,900	157,115	569,015	0.02	0	517,194	163,619	680,813	0.02	111,798	16.42
N. Mariana												
Islands	672,596	20,025	60,959	753,580	0.02	659,838	25,144	63,482	748,465	0.02	-5,115	-0.68
U.S. Virgin												
Islands	0	288,991	150,682	439,673	0.01	0	362,866	156,919	519,785	0.01	80,112	15.41

SOURCES: TEA-LU (H.R. 3550), 108th Congress, 2nd Session (approved April 2, 2004); internal calculations.

NOTE: Table holds constant funding total for formula programs.

# Appendix J

---

Tables Related to Provisions Proposed in Senate-Passed  
SAFETEA Bill (S. 1072)

**Table J.1a**  
**FTA Funding Amounts Proposed in Senate-Passed SAFETEA Bill (S. 1072), Programs as Defined in TEA-21, Fiscal Years 2004–2009**

Category (using TEA-21 format)	2004	2005	2006	2007	2008	2009	Total
<b>Formula programs</b>							
UAF, NAF, EPD formula grants	3,754,914,570	4,157,409,718	4,367,784,552	4,616,655,872	5,046,965,434	5,501,472,148	27,445,202,294
UAF grants	3,425,608,562	3,578,119,218	3,759,333,870	3,973,743,872	4,344,450,134	4,736,005,048	23,817,280,703
NAF grants	239,188,058	391,412,500	411,101,813	434,400,000	474,672,500	517,207,500	2,467,982,371
EPD grants	90,117,950	187,878,000	197,328,870	208,512,000	227,842,800	248,259,600	1,159,939,220
Growing and High Density States	—	391,412,500	411,101,813	434,400,000	474,672,500	517,207,500	2,228,794,313
Alaska Railroad	4,821,335	5,761,592	6,051,419	6,394,368	6,987,179	7,613,294	37,629,187
Over-the-Road Bus Accessibility	6,908,995	7,828,250	8,222,036	8,688,000	9,493,450	10,344,150	51,484,881
High Intensity Small UZA grants	—	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	175,000,000
<b>Formula program total</b>	<b>3,766,644,900</b>	<b>4,562,412,060</b>	<b>4,793,159,820</b>	<b>5,066,138,240</b>	<b>5,538,118,563</b>	<b>6,036,637,092</b>	<b>29,763,110,675</b>
<b>CIP</b>							
New Starts	1,315,983,615	1,461,072,000	1,534,568,000	1,621,536,000	1,771,866,000	1,930,641,000	9,635,666,615
Fixed Guideway Modernization	1,199,387,615	1,377,772,000	1,447,078,380	1,529,088,000	1,670,847,200	1,820,570,400	9,044,743,595
Bus and Bus-Related	653,322,520	839,829,000	882,075,000	932,064,000	1,018,474,000	1,109,739,000	5,435,503,520
Transfer from Clean Fuels to Bus	49,705,000	—	—	—	—	—	49,705,000
<b>CIP total</b>	<b>3,168,693,750</b>	<b>3,678,673,000</b>	<b>3,863,721,380</b>	<b>4,082,688,000</b>	<b>4,461,187,200</b>	<b>4,860,950,400</b>	<b>24,115,913,730</b>
<b>Other FTA programs</b>							
Research (including university centers)	58,651,900	55,737,140	58,540,898	61,858,560	67,593,364	73,650,348	376,032,210
Metropolitan Planning and State Planning/Research	72,569,300	109,595,500	115,108,508	121,632,000	132,908,300	144,818,100	696,631,708
Alternative Transportation in Parks	—	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	125,000,000
Reports and Audits	—	3,700,000	3,900,000	4,200,000	4,600,000	5,000,000	21,400,000
JARC	124,262,500	128,383,300	134,841,395	142,483,200	155,692,580	169,644,060	855,307,035
FTA Operations and Other	75,054,550	86,500,000	90,851,000	96,000,000	104,900,000	114,300,000	567,605,550
<b>Other FTA program total</b>	<b>330,538,250</b>	<b>408,915,940</b>	<b>428,241,800</b>	<b>451,173,760</b>	<b>490,694,244</b>	<b>532,412,508</b>	<b>2,641,976,502</b>
<b>All accounts: grand total, Senate bill</b>	<b>7,265,876,900</b>	<b>8,650,001,000</b>	<b>9,085,123,000</b>	<b>9,600,000,000</b>	<b>10,490,000,007</b>	<b>11,430,000,000</b>	<b>56,521,000,907</b>



Table J.1a (continued)

Category (using TEA-21 format)	2004	2005	2006	2007	2008	2009	Total
Formula grants and research subtotal		6,262,600,000	6,577,629,000	6,950,400,000	7,594,760,000	8,275,320,000	35,660,709,000
Numeric take-downs		28,700,000	28,900,000	29,200,000	29,600,000	30,000,000	146,400,000
Formula grants and research after take-downs		6,233,900,000	6,548,729,000	6,921,200,000	7,565,160,000	8,245,320,000	35,514,309,000
<b>Share of formula programs account, Senate bill (%)</b>							
UAF	91.23	86.07	86.07	86.07	86.08	86.09	86.78
NAF	6.37	9.41	9.41	9.41	9.41	9.40	8.99
ED	2.40	4.52	4.52	4.52	4.51	4.51	4.23
<b>Share of CIP account, Senate bill (%)</b>							
New Starts	41.53	39.72	39.72	39.72	39.72	39.72	39.96
Fixed Guideway Modernization	37.85	37.45	37.45	37.45	37.45	37.45	37.51
Bus and Bus-Related	20.62	22.83	22.83	22.83	22.83	22.83	22.54

SOURCES: Senate SAFETEA bill (S. 1072), 108th Congress, 2nd Session (approved February 12, 2004); internal calculations.

**Table J.1b**  
**FTA Funding Amounts Proposed in Senate-Passed SAFETEA Bill (S. 1072), Programs as Defined in Bill, Fiscal Years 2004–2009**

Category (using Senate bill format)	2004	2005	2006	2007	2008	2009	Total
<b>Formula grants and research</b>							
UAF, NAF, EPD formula grants	3,754,914,570	4,157,409,718	4,367,784,552	4,616,655,872	5,046,965,427	5,501,472,148	27,445,202,287
UAF grants	3,425,608,562	3,578,119,218	3,759,353,870	3,973,743,872	4,344,450,127	4,736,005,048	23,817,280,696
High Intensity Small UZA grants	—	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	175,000,000
NAF grants	239,188,058	391,412,500	411,101,813	434,400,000	474,672,500	517,207,500	2,467,982,371
EPD grants	90,117,950	187,878,000	197,328,870	208,512,000	227,842,800	248,259,600	1,159,939,220
Alaska Railroad	4,821,335	5,761,592	6,051,419	6,394,368	6,987,179	7,613,294	37,629,187
Over-the-Road Bus Accessibility	6,908,995	7,828,250	8,222,036	8,688,000	9,493,450	10,344,150	51,484,881
JARC	124,262,500	128,383,300	134,841,395	142,483,200	155,692,580	169,644,060	855,307,035
Research	58,651,900	55,737,140	58,540,898	61,858,560	67,593,364	73,650,348	376,032,210
Metropolitan Planning and State Planning/Research	72,569,300	109,595,500	115,108,508	121,632,000	132,908,300	144,818,100	696,631,708
Fixed-Guideway Modernization	1,199,387,615	1,377,772,000	1,447,078,380	1,529,088,000	1,670,847,200	1,820,570,400	9,044,743,595
Growing & High Density States	—	391,412,500	411,101,813	434,400,000	474,672,500	517,207,500	2,228,794,313
Alternative Transportation in Parks	—	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	125,000,000
Reports and Audits	—	3,700,000	3,900,000	4,200,000	4,600,000	5,000,000	21,400,000
<b>Formula grants and research subtotal</b>		6,262,600,000	6,577,629,000	6,950,400,000	7,594,760,000	8,275,320,000	35,660,709,000
<b>CIP</b>							
New Starts	1,315,983,615	1,461,072,000	1,534,568,000	1,621,536,000	1,771,866,000	1,930,641,000	9,635,666,615
Bus and Bus-Related	653,322,520	839,829,000	882,075,000	932,064,000	1,018,474,000	1,109,739,000	5,435,503,520
Transfer from Clean Fuels to Bus	49,705,000						
<b>CIP total</b>	1,969,306,135	2,300,901,000	2,416,643,000	2,553,600,000	2,790,340,000	3,040,380,000	15,071,170,135
<b>FTA Operations and Other</b>	7,054,550	86,500,000	90,851,000	96,000,000	104,900,000	114,300,000	567,605,550
<b>All accounts: grand total, Senate bill</b>	7,265,876,900	8,650,001,000	9,085,123,000	9,600,000,000	10,490,000,000	11,430,000,000	56,521,000,900

SOURCES: Senate SAFETEA bill (S. 1072, 108th Congress, 2nd Session (approved February 12, 2004)); internal calculations.

Table J.2

Formula Program Apportionments, Actual and Predicted Amounts, with Program Allocation Percentage Mixture as Proposed in Senate-Passed SAFETEA Bill (S. 1072), by State, Fiscal Year 2004

	Actual Apportionment TEA-21 (\$ and % of Formula Grants				Predicted Apportionment S.1072 (\$ and % of Formula Grants				Change from TEA-21			
	UAF	NAF	EPD	Total	% of U.S.	UAF	NAF	EPD	Total	% of U.S.	\$	% chg.
United States	3,411,519,527	238,501,062	90,361,027	3,740,381,616	100.00	3,245,820,621	336,873,098	157,687,896	3,740,381,616	100.00	0	0
Alabama	15,003,705	6,667,593	1,577,848	23,249,146	0.62	14,274,969	9,417,705	2,753,483	26,446,157	0.71	3,197,011	12.09
Alaska	3,662,017	929,305	239,902	4,831,224	0.13	3,484,151	1,312,605	418,650	5,215,406	0.14	384,183	7.37
Arizona	44,407,028	3,252,704	1,647,527	49,307,259	1.32	42,250,160	4,594,313	2,875,079	49,719,552	1.33	412,293	0.83
Arkansas	7,671,077	4,823,046	1,026,721	13,520,844	0.36	7,298,490	6,812,357	1,791,718	15,902,565	0.43	2,381,721	14.98
California	585,722,712	10,249,275	9,456,317	605,428,304	16.19	557,273,919	14,476,686	16,502,100	588,252,705	15.73	-17,175,599	-2.92
Colorado	47,009,989	2,895,675	1,156,406	51,062,070	1.37	44,726,695	4,090,023	2,018,030	50,834,748	1.36	-227,322	-0.45
Connecticut	56,897,586	1,482,228	1,125,150	59,504,964	1.59	54,134,047	2,093,587	1,963,485	58,191,119	1.56	-1,313,845	-2.26
Delaware	624,206	672,024	352,200	1,648,430	0.04	593,888	949,207	614,620	2,157,715	0.06	509,285	23.60
District of Columbia	118,855,148	—	308,401	119,163,549	3.19	113,082,305	0	538,187	113,620,491	3.04	-5,543,058	-4.88
Florida	165,408,213	6,684,574	6,044,201	178,136,988	4.76	157,374,268	9,441,690	10,547,659	177,363,618	4.74	-773,370	-0.44
Georgia	67,319,067	8,451,488	2,288,079	78,058,634	2.09	64,049,352	11,937,385	3,992,898	79,979,635	2.14	1,921,001	2.40
Hawaii	26,386,658	999,450	474,925	27,861,033	0.74	25,105,047	1,411,683	828,786	27,345,516	0.73	-515,517	-1.89
Idaho	5,672,389	1,836,315	454,617	7,963,321	0.21	5,396,879	2,593,720	793,346	8,783,945	0.23	820,625	9.34
Illinois	223,044,982	7,135,696	3,514,414	233,695,092	6.25	212,211,596	10,078,882	6,132,960	228,423,438	6.11	-5,271,655	-2.31
Indiana	25,332,218	7,103,057	1,865,436	34,300,711	0.92	24,101,822	10,032,780	3,255,349	37,389,951	1.00	3,089,240	8.26
Iowa	14,432,001	4,820,069	977,883	20,229,953	0.54	13,731,033	6,808,152	1,706,491	22,245,676	0.59	2,015,723	9.06
Kansas	6,912,521	3,939,493	880,015	11,732,029	0.31	6,576,777	5,564,375	1,535,703	13,676,855	0.37	1,944,826	14.22
Kentucky	16,117,625	6,585,421	1,457,184	24,160,230	0.65	15,334,785	9,301,640	2,542,914	27,179,339	0.73	3,019,109	11.11
Louisiana	29,345,626	5,144,225	1,450,921	35,940,772	0.96	27,920,297	7,266,009	2,531,984	37,718,290	1.01	1,777,518	4.71
Maine	3,046,639	2,556,919	531,663	6,135,221	0.16	2,898,662	3,611,545	927,798	7,438,006	0.20	1,302,785	17.52
Maryland	42,353,420	2,658,175	1,540,533	46,552,128	1.24	40,296,297	3,754,564	2,688,365	46,739,226	1.25	187,098	0.40

Table J.2 (continued)

	Actual Apportionment TEA-21 (\$ and % of Formula Grants				Predicted Apportionment S.1072 (\$ and % of Formula Grants				Change from TEA-21			
	UAF	NAF	EPD	Total	% of U.S.	UAF	NAF	EPD	Total	% of U.S.	\$	% chg.
Massachusetts	116,984,469	1,899,702	2,034,741	120,918,912	3.23	111,302,485	2,683,252	3,550,801	117,536,539	3.14	-3,382,374	-2.88
Michigan	66,521,299	8,939,821	2,929,051	78,390,171	2.10	63,290,332	12,627,135	5,111,450	81,028,918	2.17	2,638,747	3.26
Minnesota	42,597,566	5,874,251	1,361,686	49,833,503	1.33	40,528,585	8,297,142	2,376,261	51,201,988	1.37	1,368,485	2.67
Mississippi	4,780,472	5,759,841	1,029,560	11,569,873	0.31	4,548,283	8,135,542	1,796,672	14,480,497	0.39	2,910,624	20.10
Missouri	43,852,306	6,664,068	1,783,015	52,299,389	1.40	41,722,381	9,412,726	3,111,517	54,246,624	1.45	1,947,236	3.59
Montana	2,568,467	1,777,392	383,581	4,729,440	0.13	2,443,716	2,510,494	669,382	5,623,592	0.15	894,152	15.90
Nebraska	8,544,469	2,411,059	594,868	11,550,396	0.31	8,129,461	3,405,523	1,038,097	12,573,080	0.34	1,022,684	8.13
Nevada	23,918,882	856,628	719,862	25,495,372	0.68	22,757,132	1,209,953	1,256,222	25,223,307	0.67	-272,065	-1.08
New Hampshire	4,334,932	1,819,852	456,694	6,611,478	0.18	4,124,383	2,570,468	796,971	7,491,821	0.20	880,343	11.75
New Jersey	13,382,197	1,757,590	2,579,198	17,718,985	0.47	12,732,218	2,482,525	4,500,926	19,715,670	0.53	1,996,684	10.13
New Mexico	8,903,283	2,545,560	653,360	12,102,203	0.32	8,470,847	3,595,501	1,140,170	13,206,518	0.35	1,104,315	8.36
New York	713,018,859	9,237,750	6,070,348	728,326,957	19.47	678,387,240	13,047,948	10,593,288	702,028,476	18.77	-26,298,481	-3.75
North Carolina	37,154,269	11,410,542	2,555,231	51,120,042	1.37	35,349,671	16,116,929	4,459,102	55,925,702	1.50	4,805,659	8.59
North Dakota	3,040,342	1,094,647	310,078	4,445,067	0.12	2,892,671	1,546,145	541,113	4,979,930	0.13	534,862	10.74
Ohio	89,775,870	10,754,410	3,419,683	103,949,963	2.78	85,415,419	15,190,170	5,967,646	106,573,235	2.85	2,623,271	2.46
Oklahoma	14,367,073	5,233,770	1,204,626	20,805,469	0.56	13,669,258	7,392,488	2,102,178	23,163,924	0.62	2,358,455	10.18
Oregon	40,070,026	3,845,539	1,119,039	45,034,604	1.20	38,123,808	5,431,668	1,952,821	45,508,298	1.22	473,694	1.04
Pennsylvania	175,153,641	10,829,460	4,030,787	190,013,888	5.08	166,646,357	15,296,174	7,034,076	188,976,607	5.05	-1,037,281	-0.55
Puerto Rico	42,828,120	883,159	1,395,270	45,106,549	1.21	40,747,941	1,247,426	2,434,868	44,430,235	1.19	-676,314	-1.52
Rhode Island	18,314,441	319,824	461,827	19,096,092	0.51	17,424,901	451,739	805,929	18,682,568	0.50	-413,524	-2.21
South Carolina	13,663,715	5,689,227	1,378,880	20,731,822	0.55	13,000,063	8,035,802	2,406,266	23,442,131	0.63	2,710,310	11.56
South Dakota	2,336,117	1,490,721	338,559	4,165,397	0.11	2,222,651	2,105,583	590,815	4,919,049	0.13	753,652	15.32
Tennessee	28,884,931	7,249,420	1,908,598	38,042,949	1.02	27,481,978	10,239,513	3,330,670	41,052,161	1.10	3,009,212	7.33
Texas	195,416,711	16,113,489	5,625,331	217,155,531	5.81	185,925,241	22,759,652	9,816,695	218,501,587	5.84	1,346,056	0.62
Utah	28,597,076	1,290,708	590,694	30,478,478	0.81	27,208,104	1,823,074	1,030,813	30,061,990	0.80	-416,488	-1.39
Vermont	1,038,637	1,339,595	293,836	2,672,068	0.07	988,190	1,892,123	512,770	3,393,083	0.09	721,015	21.25

Table J.2 (continued)

	Actual Apportionment TEA-21 (\$ and % of Formula Grants					Predicted Apportionment S.1072 (\$ and % of Formula Grants					Change from TEA-21	
	UAF	NAF	EPD	Total	% of U.S.	UAF	NAF	EPD	Total	% of U.S.	\$	% chg.
Virginia	30,058,296	6,293,279	2,011,109	38,362,684	1.03	28,598,352	8,889,002	3,509,561	40,996,915	1.10	2,634,231	6.43
Washington	90,306,424	4,231,465	1,715,373	96,253,262	2.57	85,920,204	5,976,773	2,993,476	94,890,452	2.54	-1,362,809	-1.44
West Virginia	4,925,078	3,441,140	782,034	9,148,252	0.24	4,685,865	4,860,471	1,364,718	10,911,053	0.29	1,762,802	16.16
Wisconsin	38,909,402	6,708,274	1,569,358	47,187,034	1.26	37,019,556	9,475,165	2,738,667	49,233,388	1.32	2,046,355	4.16
Wyoming	1,374,734	978,792	255,598	2,609,124	0.07	1,307,963	1,382,504	446,041	3,136,508	0.08	527,384	16.81
American Samoa	0	152,438	60,053	212,491	0.01	0	215,312	104,798	320,110	0.01	107,619	33.62
Guam	0	411,900	157,115	569,015	0.02	0	581,792	274,179	855,971	0.02	286,956	33.52
N. Mariana Islands	672,596	20,025	60,959	753,580	0.02	639,928	28,284	106,379	774,591	0.02	21,011	2.71
U.S. Virgin Islands	0	288,991	150,682	439,673	0.01	0	408,188	262,953	671,142	0.02	231,468	34.49

SOURCES: Senate SAFETEA bill (S. 1072), 108th Congress, 2nd Session (approved February 12, 2004); internal calculations.

NOTE: Table holds constant overall funding total for formula programs, as defined by TEA-21.





**California Institute for Federal Policy Research**

419 New Jersey Avenue, SE, Basement Level

Washington, DC 20003

Tel: 202/546-3700 Fax: 202/546-2390

[www.calinst.org](http://www.calinst.org)

**Public Policy Institute of California**

500 Washington Street, Suite 800

San Francisco, CA 94111

Tel: 415/291-4400 Fax: 415/291-4401

[www.ppic.org](http://www.ppic.org)

ISBN 1-58213-103-1



9 781582 131030