

FTA-Administered Specialized Transportation Programs—An Introduction

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AARP's Public Policy Institute informs and stimulates public debate on the issues we face as we age. Through research, analysis and dialogue with the nation's leading experts, PPI promotes development of sound, creative policies to address our common need for economic security, health care, and quality of life.

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INNOVATION ROUNDTABLE

Congressional reauthorization of the surface transportation bill in 2009 – 2010 provides an opportunity to increase and improve transportation options for older adults, persons with disabilities, and low-income workers. The Federal Transit Administration (FTA) administers three specialized transportation programs that serve these vulnerable populations – the Section 5310 (Elderly Individuals and Individuals with Disabilities) program, the Job Access and Reverse Commute (JARC) program, and the New Freedom program.

The purpose of the AARP Public Policy Institute (PPI) Roundtable discussion is to bring together a group of experts from the transportation and human services sectors, including those from policy circles, and those with direct programmatic implementation and management experience, to explore policy options with respect to these three programs. Participants will share their insights, identify areas of agreement, understand differences in opinions, and work toward a set of policy recommendations for consideration by Congress and the FTA.

PROGRAM SUMMARY

The Section 5310 program was established in 1975 to address deficiencies in public transportation service where typical fixed-route service was unable to meet the particular needs of elderly persons and persons with disabilities. Funding under the Section 5310 program has been primarily directed to non-profit organizations and social/human service agencies for the purchase of vehicles. The program is administered through the states and it is at the state level that specific funding decisions are made. The FTA does not impose any limits on the types of trips taken on Section 5310 funded vehicles, thus the grants support a range of trips, including “quality of life trips,” such as those to visit friends, as well as trips to medical appointments.

The New Freedom program was introduced in 2005 with the passage of Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) to address the transportation needs of persons with disabilities that go beyond those required by the Americans with Disabilities Act. The focus of the program is to assist persons with disabilities in overcoming transportation-related barriers to employment opportunities. Funding is distributed to states or other public entities, such as Metropolitan Planning Organizations, who then further distribute the money through a competitive selection process to private non-profit organizations, state or local governments, and operators of public transportation services including private operators of public transportation services. Funding can be used for either capital or operating expenses.

The JARC program was created in 1998 under the Transportation Equity Act for the 21st Century (TEA-21) to support local transportation initiatives designed to connect low-income families (especially those transitioning from welfare support) to jobs. Lack of access to affordable and reliable transportation has been cited as one of the biggest

hurdles to finding and keeping a job, particularly for individuals with limited income, single parents, and others transitioning to work. The Job Access and Reverse Commute (JARC) program addresses this barrier by providing funds to support the development of new transportation services, services that fill gaps in existing services, or the promotion of transportation use to employment and related destinations. Funding flows are similar to those for the New Freedom program.

In recognition of the need for improved coordination of services funded by these three programs, SAFETEA-LU established the requirement that projects selected for funding under each of these three programs be "derived from a locally developed, coordinated public transit-human services transportation plan" and that the plan be "developed through a process that includes representatives of public, private, and non-profit transportation and human services providers and participation by members of the public." SAFETEA-LU also embraced the already evolving concept of mobility management—the coordinated management of all transportation resources in the community—as an effective set of tools to foster coordination. In addition to fostering coordination, mobility management, in its broadest definition, also includes efforts such as land use planning to encourage transit supportive development.

SUMMARY OF CURRENT ISSUES FOR DISCUSSION

Program administrators, transportation providers and other stakeholders have identified several problems with these programs including: large unmet needs, unspent money in the JARC and New Freedom program, a desire to move beyond coordinated planning to coordinated services, a lack of comprehensive and consistent data to enable program evaluation, and a desire among federal and some state and local program administrators for more “flexibility.” Requirements to manage the three programs are often duplicative, and, some recipients say, involve more effort than the level of program funding merits.

Pending surface transportation legislation includes a key proposal for consolidation of the three FTA programs. While offering the possibility of administrative simplification, the idea also raises concerns, however, about the possible impact on services. Older adults, persons with disabilities, and persons of low income do not have identical transportation needs that can always be met by the same service.

Administrative issues thus raise many concerns for recipients of these specialized transportation funds, and merit attention in pending legislation and FTA regulation. But, most importantly, policymakers need to address the different legislative objectives of the three programs when considering consolidation. Could a merger dilute the goals of each program, and possibly reduce benefits that some rider groups now receive? Would groups compete for funding, which could put small community agencies at a disadvantage?

The goal of the AARP-sponsored Roundtable Discussion is to support and encourage the policy debate on the future of the FTA specialized transportation programs, and to inform advocacy efforts during the reauthorization process. Roundtable participants will explore four primary topics of discussion:

- Coordinated Planning Requirements
- Mobility Management
- Program Data
- Program Design

A table is attached that provides summary information on the key characteristics of the three programs. This material, taken from FTA's published program guidance, can serve as a reference and background for the Roundtable discussions. Four brief papers are also attached that address the main topics selected for discussion.

Table I: Key Characteristics of the Section 5310, JARC, and New Freedom Programs

FTA Program	Section 5310	JARC	New Freedom
Formal Name	Elderly Individuals and Individuals with Disabilities Program	The Job Access and Reverse Commute (JARC) Program	New Freedom Program
Established	1975 under the National Mass Transportation Assistance Act	1998 under the Transportation Equity Act for the 21st Century (TEA-21)	2005 under the passage of SAFETEA-LU
Program Goal	To improve mobility for elderly individuals and individuals with disabilities throughout the country	To improve access to transportation services to employment and employment related activities for welfare recipients and eligible low-income individuals and to transport residents of urbanized areas and nonurbanized areas to suburban employment opportunities.	To provide additional tools to overcome existing barriers facing Americans with disabilities seeking integration into the work force and full participation in society. To reduce barriers to transportation services and expand the transportation mobility options available to people with disabilities beyond the requirements of the ADA of 1990.
Program Measures	<p>1) Gaps in Service Filled -- Provision of transportation options that would not otherwise be available for older adults and individuals with disabilities measured in numbers of older adults and individuals with disabilities afforded mobility they would not have without program support.</p> <p>2) Ridership -- Actual or estimated number of rides (as measured by one-way trips) provided annually for individuals with disabilities and older adults on Section 5310—supported vehicles and services.</p>	<p>1) Actual or estimated number of jobs that can be accessed as a result of geographic or temporal coverage of JARC projects.</p> <p>2) Actual or estimated number of rides (as measured by one-way trips) provided as a result of the JARC projects.</p>	<p>1) Increases or enhancements related to geographic coverage, service quality and/or service times that impact availability of transportation services for individuals with disabilities.</p> <p>2) Additions or changes to environmental infrastructure (e.g., transportation facilities, sidewalks, etc), technology, and vehicles that impact availability of transportation services.</p> <p>3) Actual or estimated number of rides (as measured by one-way trips) provided for individuals with disabilities.</p>
Total Apportioned Funds * (revised figures associated with 4/27/09 Federal Register notice)	\$135,823,746	\$183,103,175	\$100,859,585
Apportionment	Section 5310 funds are apportioned among the States by a formula which is based on the number of elderly persons and persons with disabilities in each State according to the latest available U.S. census data.	<p>60 percent of the funds distributed among designated recipients in urbanized areas with a population of 200,000 or more, in the ratio that the number of eligible low-income individuals and welfare recipients in each such urbanized area bears to the number of eligible low-income individuals and welfare recipients in all such urbanized areas;</p> <p>20 percent of the funds distributed among the States, in the ratio that the number of eligible low-income individuals and welfare recipients in urbanized areas</p>	Apportionment formula is the same as for JARC except that the ratios are based the number of individuals with disabilities.

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		<p>with a population of less than 200,000 in each State bear to the number of eligible low-income individuals and welfare recipients in urbanized areas with a population of less than 200,000 in all States; and</p> <p>20 percent of the funds distributed among the States, in the ratio that the number of eligible low-income individuals and welfare recipients in other than urbanized areas in each State bears to the number of eligible low-income individuals and welfare recipients in other than urbanized areas in all States.</p>	
Flexing of Funds	<p>Flexible funds from the Federal Aid Highway Program may be transferred to the Section 5310 program for use by the State. Unlike transfers between transit programs, under which funds retain their original purposes, flexible funds transferred to the Section 5310 program will be treated under the program requirements applicable to Section 5310.</p> <p>A State may transfer Section 5310 funds to an apportionment under Section 5311(c) [Tribal Transit Program] or 5307 [Large Cities Program], or both. Transferred funds must be used for eligible Section 5310 projects. A State may make a transfer to Section 5307 only after coordinating with private non-profit providers of services under Section 5310.</p>	<p>Transfer from FHWA: Surface Transportation Funds (STP) and Congestion Mitigation and Air Quality (CMAQ) funds, and certain other "flexible" funds may be transferred from FHWA to FTA for capital transit projects. Although these funds cannot be flexed directly to JARC, flexible funds may be transferred to S. 5307 or 5311[Rural Program] for capital projects supporting JARC program.</p> <p>Transfer between Funding Categories. A State may use funds apportioned for small urbanized and rural areas for projects serving another area of the State, if the State certifies that all of the objectives of JARC are being met in the specified areas. For example, if all objectives of the JARC program are being met in rural areas, funds designated for rural areas may be transferred to urbanized areas of less than 200,000 in population. Funds apportioned to small urbanized and rural areas may also be transferred for use anywhere in the State including large urbanized areas, if the State has established a statewide program for meeting JARC program goals. There is no authority to transfer funds apportioned to large urbanized areas to small urbanized or rural areas.</p> <p>Transfer to Other FTA Programs. A State may transfer JARC funds apportioned to it for rural or small urbanized areas to apportionments under Section 5311(c) or 5307, or both. The purpose of the transfer provision, however, is not to supplement the resources available under the State's Section 5311 or Section 5307 apportionments. States may combine</p>	<p>Transfer from FHWA: Same as JARC.</p> <p>Transfer between Funding Categories: Not applicable for New Freedom.</p> <p>Transfer to Other FTA Programs: Same as JARC.</p>

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		funds from multiple programs in a consolidated Section 5311 grant, but the State must track, manage, and report on each program's funds separately within the consolidated grant.	
Designated Recipient	State	<p>In urbanized areas with populations less than 200,000 and in rural areas, the State is the designated recipient.</p> <p>In urbanized areas over 200,000 in population, the recipient may be the same as the designated recipient of S. 5307 funds. Alternatively, the metropolitan planning organization (MPO), State, or another public agency may be a preferred choice based on local circumstances.</p>	Same as JARC.
Eligible Subrecipients	<p>Three categories of eligible subrecipients:</p> <ol style="list-style-type: none"> 1) Private non-profit organizations; 2) Governmental authorities that certify to the State that no non-profit corporations or associations are readily available in an area to provide the service; and 3) Governmental authorities approved by the State to coordinate services for elderly individuals and individuals with disabilities. <p>Local governmental authorities eligible to apply for Section 5310 funds as coordinators of services for elderly persons and persons with disabilities are those designated by the State to coordinate human service activities in a particular area. Examples: a county agency on aging or a public transit provider which that State has identified as the lead agency to coordinate transportation services funded by multiple Federal or State human service programs.</p>	<p>Three categories of eligible subrecipients:</p> <ol style="list-style-type: none"> 1) Private non-profit organizations; 2) State or local governmental authority; and 3) Operators of public transportation services, including private operators of public transportation services. 	Same as JARC.
Eligible Activities	<p>Capital expenses (e.g., buses, vans, communication equipment, etc.)</p> <p>Includes purchase of transportation service under a</p>	Capital, planning, and operating expenses that support the development and maintenance of transportation services designed to transport low-income individuals to and from jobs and activities	Capital and operating expenses that support new public transportation services beyond those required by ADA and new public transportation alternatives beyond those required by ADA with accessing

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	<p>contract, lease or other arrangement (including user side subsidies).</p> <p>Includes mobility management.</p> <p>Also, a seven state pilot where state can use up to 1/3 of its funds for operating expenses.</p>	<p>related to their employment and to support reverse commute projects.</p> <p>For example: Expanded fixed-route service, bike racks on buses, car loans, transit /other vouchers, GIS/ITS systems, mobility management.</p>	<p>transportation services including transportation to and from jobs and job-related services.</p> <p>For example: Travel training, mobility management, vehicle purchase for taxi, shuttle, vouchers, support for volunteer driver programs.</p>
Coordination Requirements	<p>Requires a recipient of Section 5310 funds to certify that projects selected are derived from a locally developed, coordinated public transit-human services transportation plan developed through a process that includes representatives of public, private, and non-profit transportation and human service providers, participation by the public, and representatives addressing the needs of older adults and individuals with disabilities.</p>	<p>Same as for S. 5310</p>	<p>Same as for S. 5310</p>
Project Selection	<p>States use different methods for project selection. According to recent University of Montana Rural Institute research, the large majority use a discretionary selection process.</p> <p>State submits annual program of projects (POP) which identifies subrecipients and projects for which the state is applying for funds.</p>	<p>Recipient of funds must conduct competitive selection process that is separate from but coordinated with the coordinated planning process. The competition allocates funding to the designated recipient and subrecipients to implement JARC projects.</p>	<p>Same requirements for competitive selection process as for JARC.</p>
Planning Requirements	<p>To be eligible for funding, Section 5310 projects in urbanized areas must be included in the Metropolitan Transportation Plan (MTP) prepared and approved by the metropolitan planning organization (MPO), the Transportation Improvement Program (TIP) approved jointly by the MPO and the Governor, and the Statewide Transportation Improvement Program (STIP) developed by a State and jointly approved by FTA and Federal Highway Administration (FHWA). Projects outside urbanized areas must be included in, or be consistent with the Statewide Long-Range Transportation Plan, as developed by the State, and must be included in the STIP.</p>	<p>Same as for S. 5310</p>	<p>Same as for S. 5310</p>
Coordinated Planning	<p>Same</p>	<p>Same</p>	<p>Same</p>
Program and Administration Requirements	<p>The State must enter into a written agreement with each subrecipient stating the terms and conditions of assistance by which the project will be undertaken and</p>	<p>The designated recipient must enter into a written agreement with each subrecipient stating the terms and conditions of assistance by which the project will be undertaken and completed. If the designated</p>	<p>Same as for JARC.</p>

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	<p>completed.</p> <p>The State:</p> <ul style="list-style-type: none"> -documents the State's procedures in a State Management Plan (SMP); -notifies eligible local entities of funding availability; -plans for future transportation needs, and ensures integration and coordination among diverse transportation modes and providers; -solicits applications; -develops project selection criteria; -reviews and selects projects for approval; -forwards an annual program of projects (POP) and grant application to FTA; -certifies that allocations of grants to subrecipients are distributed on a fair and equitable basis; -certifies eligibility of applicants and project activities; -ensures compliance with Federal requirements by all subrecipients; -certifies that all projects are derived from a locally developed, coordinated public transit-human services transportation plan; -monitors local project activity; and -oversees project audit and closeout. 	<p>recipient allows other direct recipients, in small urbanized areas, to apply directly to FTA for JARC funds awarded through the competitive process, the designated recipient will enter into a supplemental agreement with each direct recipient.</p> <p>The State agency designated by the chief executive officer of a State has the principal authority and responsibility for administering the JARC program in urbanized areas under 200,000 in population and nonurbanized areas. The designated recipient of JARC has the principal authority and responsibility for administering the JARC program funds in urbanized areas over 200,000 in population.</p> <p>The recipient's responsibilities include:</p> <ul style="list-style-type: none"> -notifying eligible local entities of funding availability; -developing project selection criteria; -determining applicant eligibility; -conducting the competitive selection process; -forwarding an annual program of projects (POP) and grant application to FTA; -ensuring that all subrecipients comply with Federal requirements; -documenting the State's or designated recipient's procedures in a State Management Plan or a Program Management Plan as appropriate; -certifying that allocations of grants to subrecipients are distributed on a fair and equitable basis; and -certifying that projects selected were derived from a locally developed, coordinated public transit-human services transportation plan. 	
<p>Reporting Requirements</p>	<p>Annual program status report should be submitted to FTA for each active grant. Status reports are intended to meet minimal program information needs at regional and national levels.</p> <p>"FTA will be capturing overall program measures to be used with the Government Performance Results Act (GPRA) and the Performance Assessment Rating Tool process for the Office of Management and Budget. The following indicators are targeted to capture</p>	<p>New reporting requirements implemented July 2009. Data submitted through special website hosted by FTA consultant.</p> <p>See Exhibit 1 under Program Data Discussion Paper</p>	<p>Same as for JARC.</p> <p>See Exhibit 1 under Program Data Discussion Paper</p>

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	<p>overarching program information as part of the annual report that each State submits to FTA. The State should submit both quantitative and qualitative information as available on each of the following measures: Gaps in Service Filled and Ridership."</p> <p>"The State should ensure that the above information is reported for all recipients and subrecipients of Section 5310 funding in projects selected by the State, including those that were transferred to Section 5307 or 5311 for administration. The State may consolidate information for all projects in the annual report for any open Section 5310 grant awarded to the designated recipient."</p>		
Federal/Local Match Requirements	Federal share up to 80%; local share no less than 20%. Some exceptions including, for example, the seven state pilot where states can use up to 1/3 of apportionment for operating expenses, with federal share at 50%.	Federal share of capital and planning costs up to 80%, with local share not less than 20%. Federal share for operating costs up to 50%, with local share no less than 50%.	Same as for JARC.
Regulations provided in federal circulars, dated May 1, 2007	FTA C 9070.1F	FTA C 9050.1	FTA C 9045.1

*Compare with S. 5307 (urbanized area formula program) of \$4.14 Billion and S. 5311 (nonurbanized area formula program) of \$438 Million.

Notes: Information taken directly from circulars. Some added information, e.g., examples of projects funded.