

Federal Transit Administration

Overview: The Federal Transit Administration (FTA) provides leadership, technical assistance and financial resources for safe, technologically advanced public transportation that enhances mobility and accessibility, improves America's communities, preserves the natural environment, and strengthens the National economy. Transit systems safely and efficiently move millions of people every day, reducing congestion, facilitating economic development, and connecting people to their jobs and communities. The proposed FY 2004 budget is \$7.2 billion, the same as the FY 2003 President's budget request. The FY 2004 budget request maintains the Federal commitment to transit and, when combined with state and local funding, will promote mobility and accessibility, address critical safety and security vulnerabilities, and further the President's management agenda.

FEDERAL TRANSIT ADMINISTRATION BUDGET

(Dollars In Millions)

	2002 1/ Actual	2003 2/ Request	2004 2/ Request
Formula Grants and Research	--	--	5,615
Formula Grants	4,681	3,839	--
Major Capital Investment Grants	--	--	1,534
Capital Investment Grants	4,791	3,036	--
	3/		
Job Access & Reverse Commute	125	150	--
Research & Planning	176	122	--
Other	73	79	77
TOTAL	9,845	7,226	7,226

1/ Includes a net of \$1,115 million in FHWA Flex Funding for Formula Grants and \$60 million in FHWA Flex Funding for Research & Planning.

2/ Excludes estimated accrual payments for civil service retirement and health benefits.

3/ Includes \$1,900 million in emergency supplemental resources for the Lower Manhattan recovery effort.



FY 2004 Budget

Program Restructuring and Consolidation: The FY 2004 budget request reflects program streamlining and consolidation, and supports the President's goal of creating a customer-focused, outcome-based Federal Government. In FY 2004, FTA proposes to consolidate a number of transit programs to give states and localities additional flexibility to meet the mobility needs in their communities without the constraints and administrative burdens that the current budget structure imposes.

Formula Grants and Research: The President's budget requests \$5.6 billion for transit purposes, including security, planning, bus and railcar purchases and maintenance, facility repair and construction, and where eligible, operating expenses. The program includes grants specifically targeted to urbanized areas and, through states, to non-urbanized areas and to transportation providers that address the special transportation needs of the elderly, low-income, and persons with disabilities. In addition, funds proposed for the Formula Grants and Research program will contribute approximately \$7 million to improve the accessibility of over-the-road buses, nearly \$5 million for the Alaska Railroad, and \$3.5 million for the National Transit Database that will support important research and training activities. The following highlights major programs within this account:

- **Urbanized Area Programs** - \$4,739 million is requested for the Urbanized Area Formula program and the Fixed Guideway Modernization program, which help meet the rehabilitation and refurbishment needs of existing fixed guideway systems. FTA is fully committed to the President's mandate that the Federal Government become customer-focused and outcome-based. Creating an outcome-based performance incentive program to promote increased transit ridership in every community is a key feature of this budget request. This proposal represents an important and effective means to focus attention on better meeting the needs of current and potential transit riders.
- **State Administered Programs** - \$741 million is requested for programs to be administered directly by the states, including the Non-Urbanized Area Formula Program, the Elderly and Persons with Disabilities Program, and the Job Access and Reverse Commute Program. The Administration is also seeking legislation to provide \$145 million for the New Freedom Initiative. This initiative supports the President's goal of reducing barriers to work for persons with disabilities by providing funding to states to implement innovative transportation solutions. This program will increase access and opportunities for Americans with disabilities, and strengthen the communities in which they live and work.
- **National Research** - Nearly \$50 million is requested for National Research. This program includes \$31.5 million for the National Research Program, \$8.3 million for the Transit Cooperative Research Program, \$4 million for the National Transit Institute training programs, and \$6 million for the University Transportation Research Program.
- **Planning** - \$70 million is requested to support the activities of regional planning agencies and states, helping them to plan for transit investments that best meet the needs of the urban and rural communities they serve. This includes funding for Metropolitan Planning and Statewide Planning.

Major Capital Investment Grants: \$1.5 billion is proposed in FY 2004 for the construction of new fixed guideway and non-fixed guideway corridor systems and extensions to existing systems.

- **New Starts** - \$1,515 million is requested for New Starts projects. The budget request reflects a proposed expansion of the New Starts program to make new non-fixed guideway transportation corridor projects eligible for funding, and to encourage project sponsors to consider more cost-effective transit options that may not require a fixed guideway. The FY 2004 budget request includes funding for 26 existing, pending or proposed Full Funding Grant Agreements (FFGAs), which are multi-year contractual agreements between FTA and the grantees. Located in every geographic area of the country and in cities of all sizes, these projects include commuter rail, light rail, heavy rail, and bus rapid transit. When completed, they will carry over 190 million riders annually, save over 61 million hours in travel time annually, and significantly improve mobility in America. The table on page 29 lists the New Starts projects recommended for funding in 2004.
- **Planning** - \$19 million is requested to support the activities of regional planning agencies and states, and to facilitate planning for transit investments that best meet the needs of the communities they serve. This includes funding for metropolitan and statewide planning.

Transit Security: \$40 million is requested to support transit security, which will remain a high priority in FY 2004. This funding includes the one percent of Urbanized Formula Grant funding that is statutorily required to be spent on security initiatives. Emphasis will be given on improving the state of security knowledge among transit professionals through training and through the FTA's technical assistance efforts. FTA will also focus on testing and validating technology that could be used in a transit environment and rapidly deployed into transit systems nationwide.

Project and Financial Management Oversight: To provide oversight of FTA grants, \$66 million is requested in FY 2004. Project management and financial management oversight are core management responsibilities of FTA, and essential to good stewardship of Federal taxpayers' dollars.

FEDERAL TRANSIT ADMINISTRATION
 FY 2004 Proposed Section 5309 New Starts
 (Dollars in Millions)

Existing Full Funding Grant Agreements (FFGAs)		
California	San Diego – Mission Valley East LRT Extension	65.0
California	San Francisco – BART Extension to San Francisco Airport	169.9
Colorado	Denver – Southeast Corridor LRT	80.0
District of Columbia	Washington – Largo Metrorail Extension	65.0
Florida	Fort Lauderdale – Tri-County Commuter Rail Upgrades	18.4
Illinois	Chicago – Douglas Branch Reconstruction	85.0
Illinois	Chicago – North Central Corridor Commuter Rail	20.0
Illinois	Chicago – Southwest Corridor Commuter Rail	20.0
Illinois	Chicago – Union-Pacific West Line Extension	12.0
Maryland	Baltimore – Central LRT Double-Track	40.0
Minnesota	Minneapolis – Hiawatha Corridor LRT	75.0
New Jersey	Northern New Jersey – Hudson-Bergen MOS-2	100.0
New Jersey	Northern New Jersey – Newark Rail Link MOS-1	22.6
Oregon	Portland - Interstate MAX LRT Extension	77.5
Pennsylvania	Pittsburgh – Stage II LRT Reconstruction	30.2
Puerto Rico	San Juan – Tren Urbano	43.5
Tennessee	Memphis – Medical Center Extension	9.2
Texas	Dallas – North Central LRT Extension	30.2
Utah	Salt Lake City – Medical Center Extension	30.7
Pending FFGAs		
California	Los Angeles – Eastside Corridor LRT	55.0
California	San Diego – Oceanside Escondido Rail Corridor	48.0
Louisiana	New Orleans – Canal Street	36.0
Proposed FY 2004 FFGAs		
Illinois	Chicago – Ravenswood Line Extension	45.0
Nevada	Las Vegas – Resort Corridor Fixed Guideway	40.0
New York	New York – Long Island Rail Road Eastside Access	75.0
Washington	Seattle – Central Link Initial Segment	75.0
Proposed Project Funding		
	Projects in Preliminary Engineering and Final Design	121.2
	Ferry Capital Projects [Alaska/Hawaii]	10.3
	Oversight Set Aside [1%]	15.2
Total		1,515.0