

MAP-21 FTA Section 5339

Bus and Bus Facilities

FACT SHEET

Federal Fiscal Year	2013	2014	2015	2016
Authorization Formula	\$ 7.38 M	\$7.52 M	\$ 7.52 M	\$ 6.93 M
Discretionary Funding	\$ 1.25 M	\$ 1.25 M	\$ 1.25 M	\$ 1.75 M

Program Purpose:

Section 5339 is a formula program that provides funding for capital projects to replace, rehabilitate, and purchase buses and bus-related equipment, and bus-related facilities. This program was established under Moving Ahead for Progress in the 21st Century (MAP-21), replacing the previous Section 5309 discretionary program established under the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). The program was reauthorized in the Fixing America's Surface Transportation (FAST) Act in October 2016.

Statutory References:

49 U.S.C. Section 5339, FAST Act Section 3017

Eligibility Requirements:

- Designated recipients and states that operate or allocate funding to fixed-route bus operators.
- Subrecipients: public agencies or private nonprofit organizations engaged in public transportation, including those providing services open to a segment of the general public, as defined by age, disability, or low income.

Funding Availability and Share:

Formula funding is available to small urban areas with populations between 50,000 and 200,000. Discretionary funding is generally available to rural population under 50,000. DRMT currently limits to projects to replace, rehabilitate, and purchase buses and bus-related equipment and facilities. DRMT does not accept project for construction of bus facilities.

Eligible Projects	Federal Share	Local Share
Acquiring vehicles for purposes of complying with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) or the Clean Air Act. For example: Acquisition of buses for fleet and service expansion, acquisition of replacement vehicles, and bus rebuilds.	85 percent	15 percent
Acquiring vehicle-related equipment or facilities required by the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) or vehicle related equipment or facilities (including clean fuel or alternative fuel vehicle-related equipment or facilities (non-construction) for purposes of complying with or maintaining compliance with the Clean Air Act. For example: passenger shelters and bus stop signs.	90 percent	10 percent
Other Bus and Bus Facilities Related Projects. For example: mobile radio units, supervisory vehicles, fare boxes, computers and shop and garage equipment.	80 percent	20 percent

Project Selection:

Transportation Planning Agencies develop a Program of Projects for submission to the 5339 Program with the subrecipient's application.

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Current Status:

- Changes made to the 5339 Program under FAST Act are causing Caltrans to reevaluate its administration of the Formula (Small Urban) program. Applications submitted as a result of the FFY 2014 formula distribution Call for Projects are currently under review.
- A combined FFY 2013/2014 Discretionary (Rural) funding availability was announced on March 26, 2015. Eligibility for this funding source was based on subrecipient agencies participation in a vehicle needs assessment survey. Final applications were due May 29, 2015 with an interim deadline of April 30, 2015 for a Letter of Intent to utilize the funds. Applications are under review with Standard Agreements to follow.

On-going Programmatic/MAP-21 Issues:

- This Program did not come with administration resources. As a result there has been rotated inconsistent leadership, creating hardships for subrecipient agencies. Although a permanent manager has been named, the lack of resources continues to hinder the program.
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- FTA issued the final Section 5339 Program Circular FTA C 5100.1 Bus and Bus Facilities Program: Guidance and Application Instructions in May 2015.
- The Section 5339 Circular establishes that eligible recipients of grants are those that operate fixed route bus service or that allocate funds to those who do.

Additional Program Background:

- FTA's Bus and Bus Facilities Program (Bus Program) originated as part of the Section 3 discretionary grant program established by the original transit authorization in 1964. In 1974, with the establishment of the Section 5 formula grant program, discretionary Bus Program funds could only be used for extraordinary costs that could not be funded with Section 5 funds. The Surface Transportation and Uniform Relocation Assistance Act of 1987 (STURAA) provided that 10 percent of the total available for Section 3 would be allocated for buses. With 10 percent available for any Section 3 purpose, the budget process always allocated 20 percent to the discretionary Bus Program. The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) officially changed the allocation so that 20 percent of available Section 3 funds would be allocated for bus purposes. The Section 3 program was codified as 49 U.S.C. Section 5309 in 1994 and remained discretionary. The allocation percentages changed slightly with the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users Act of 2005 (SAFETEA-LU). Otherwise, the program has remained essentially the same since 1987.
- MAP-21 established a new Section 5339 Bus and Bus Facilities Program (Bus Program), changing the program from discretionary to formula. Funding is allocated to States and Territories and designated recipients in urbanized areas. The FAST Act continued the program, with minimal changes.
- The major change under FAST allows eligible recipients to apply directly to FTA for Formula funds. (This option is not available for Discretionary funds, which are competitively awarded to eligible recipients.)