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**on behalf of**

**THE AMERICAN PUBLIC TRANSPORTATION ASSOCIATION (APTA)**

**TESTIMONY SUBMITTED TO  
THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION,  
HOUSING AND URBAN DEVELOPMENT AND RELATED AGENCIES  
On Fiscal Year 2014 Appropriations for the U.S. Department of Transportation  
April 26, 2013**

**Introduction**

Mr. Chairman and members of the subcommittee, on behalf of the American Public Transportation Association (APTA), I thank you for this opportunity to submit written testimony on the Fiscal Year (FY) 2014 Transportation, Housing and Urban Development Appropriations bill, as it relates to federal investment in public transportation and high-speed and intercity passenger rail.

With the passage of a new, two-year surface transportation authorization bill – Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) Act – APTA’s focus shifted from reauthorization legislation to ensuring the authorized programs are adequately funded. Federal investment in infrastructure is necessary for a variety of reasons, all of which lead back to supporting the economy and domestic job creation. Funding from the federal government leverages state and local resources and allows local governments and transit agencies to access capital markets, providing the resources necessary to build, replace and repair infrastructure.

Americans took 10.5 billion trips in 2012, the second highest ridership since 1957, and 154 million more trips than the prior year. This was the seventh year in a row that more than 10 billion trips were taken on public transportation systems nationwide. And these ridership levels were achieved despite the impact that Superstorm Sandy had on transit service in the Northeast. With demand for transit only growing, investments will continue to be required to get people to school, work and play, and in turn, provide jobs in construction, maintenance, and all the related industries required to support public transportation.

**About APTA**

APTA is a nonprofit international association of 1,500 public and private member organizations, including transit systems and high-speed, intercity and commuter rail operators; planning, design, construction, and finance firms; product and service providers; academic institutions; transit associations and state departments of transportation.

**Overview of FY 2014 Funding Requests**

The Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21) authorizes \$10.695 billion for the Federal Transit Administration’s (FTA) programs and expenses, with \$8.595 billion of that provided from the Mass Transit Account of the Highway Trust Fund – which is financed with public transportation’s share of federal motor fuel tax revenues. The remaining \$2.3 billion,

used to fund New Starts, Research, TCRP, Technical Assistance, FTA Administration, and a handful of additional programs, must be appropriated from General Fund revenues. Given the current state of infrastructure and the upward trend in demand for public transportation services, APTA urges Congress to appropriate full funding to each program as authorized under MAP-21.

Beyond FTA appropriations, we again urge Congress to appropriate funding for the Rail Safety Technology Grants program (Section 105) of the Rail Safety Improvement Act (RSIA), to assist with the implementation of congressionally mandated positive train control systems. The federal deadline for implementation of positive train control systems is rapidly approaching, and to date, Congress has not provided the necessary funding to support implementation of this important safety program for commuter railroads.

### **MAP-21 and the Continuing Need for Federal Transit Investment**

The new surface transportation law, MAP-21, provided a needed respite from years of authorization extensions, combined with appropriations continuing resolutions that resulted in significant funding uncertainty among transit agencies. Public transportation systems and projects require long-term funding certainty in order to plan major capital projects and procure assets such as rail cars, buses and facilities. While the 27 months of authority have helped to stabilize the situation, MAP-21 provided for only modest growth after years of essentially flat funding. The investment levels included in the bill were far from what is required to bring our systems into a state of good repair, much less to expand service to meet growing demands. In previous testimony to this subcommittee, APTA has cited U.S. Department of Transportation estimates that a one-time investment of \$78 billion is needed to bring currently operating transit infrastructure up to a state of good repair, and this does not include annual costs to maintain, expand or operate the existing system. Research on transit needs shows that capital investment from all sources - federal, state, and local - should be doubled if we are to prepare for future ridership demands. The Administration's \$50 billion proposal would go a long way towards accomplishing our state of good repair objectives.

In their 2013 Report Card for America's Infrastructure released recently, the American Society of Civil Engineers (ASCE) gave the U.S. public transportation infrastructure a "D" grade for the nation's lack of investment. This grade drives home a sense of urgency for our nation to focus on increased investment in public transportation. The rating is virtually unchanged from four years ago, which was the last time ASCE examined the state of America's infrastructure. The "Failure to Act" report also emphasizes that the American economy lost \$90 billion in 2010 due to the lack of investment in public transportation. The report also shows that, despite ridership gains and a clear and increasing demand for public transportation service, 45 percent of Americans still lack access to public transit in their communities.

It is important to stress that the demand for public transportation and the need for federal leadership will not diminish in the months and years ahead. Public transportation is a vital component of the nation's total transportation infrastructure picture, and with ridership projected to grow, dependable public transportation systems will be vital to the transportation needs of millions of Americans. We must make significant, long-term investments in public transportation or we will leave Americans with limited transportation options, and in many cases, stranded without travel options. While Congress continues to consider how to proceed on a well-funded, multi-modal surface transportation bill, it remains critically important that annual appropriations bills address both current and growing needs.

## **Federal Transit Administration Programs**

Formula Grant Programs – As the core formula grant programs (Urban, Rural, State of Good Repair, and others) are funded from the Mass Transit Account in the Highway Trust Fund, APTA wishes to emphasize the importance of fully funding MAP-21 programs at the authorized levels. The formula programs are the backbone of the entire public transportation program and provide the vast majority of funding to localities across the nation. Transit agencies across the country are depending on full funding for these FTA programs in order to work towards a state of good repair and to provide safe and timely service.

However, while many of APTA's recommendations for a new authorization bill were adopted in MAP-21, our members remain concerned about the reduction of funding for, and the complete formularization of the Bus and Bus Facilities Program. While we recognize the political atmosphere under which Congress sought to direct most funding into formula programs, the discretionary program in SAFETEA-LU and prior authorizations permitted agencies who received discretionary grants to better address their "lumpy" capital needs – facility construction or bus acquisitions – that often do not come up as frequently as would be fitting for a purely formula-based program. APTA and its members will look to the next authorization bill for solutions that better address Bus and Bus Facilities funding and the method for delivering that funding.

Capital Investment Grants (New Starts) – The New Starts program is the primary source of federal investment in the construction or expansion of heavy rail, light rail, commuter rail, bus rapid transit and ferryboat projects. Across the country, demand for federal assistance continues to outweigh currently authorized funding and resources, and New Starts funding is more important than ever with the expanded eligibility for Core Capacity projects. Unlike the core FTA formula programs, the New Starts program is funded from the General Fund, not the Mass Transit Account of the Federal Highway Trust Fund. The program as reformed by MAP-21 includes a streamlined approval process, but even with the reforms, projects will continue to face the most robust federal review process of any federal infrastructure investment program and authorized funding remains short of demand. APTA asks Congress to appropriate funding for the New Starts program at or above the MAP-21 authorized levels.

Transit Research/Transit Cooperative Research Program (TCRP)/Technical Assistance and Standards Development – APTA strongly urges the committee to fully fund the Research, Development, Demonstration, and Deployment Program, the Transit Cooperative Research Program (TCRP), Technical Assistance and Standards Development, and Workforce Development at the authorized levels, or at a minimum at the requested levels in the Administration's FY 2014 Budget.

In particular, APTA urges Congress to recognize the great value and benefits represented in the TCRP. The TCRP is an applied research program that provides solutions to practical problems faced by transit operators. Over the TCRP's 20 years of existence, it has produced more than 500 publications/products on a wide variety of issues of importance to the transit community. TCRP research has produced a variety of transit vehicle and infrastructure standards and specifications, as well as a variety of handbooks addressing many relevant subject areas of interest to the transit community. TCRP generates significant benefits and large economic returns on investment, and it does this with a budget that is 1/10,000 of the \$57 billion governments spend annually on public transit services, and even an even smaller ratio when

compared with the total benefits that transit service improvements provide to users, communities and the economy. TCRP costs will be repaid many times over if the program produces even small cost savings, service quality improvements, ridership gains, increases in transport system efficiency, or additional economic development.

### **Federal Railroad Administration Programs**

As Congress begins to consider reauthorizations of the Rail Safety Improvement Act (RSIA) and the Passenger Rail Investment and Improvement Act (PRIIA), there are two important programs APTA wishes to emphasize as priorities for the industry.

Positive Train Control – A high priority for APTA within the programs of the Federal Railroad Administration (FRA) is the adequate funding for implementation of Positive Train Control (PTC) through the Railroad Safety Technology Grants Program, Section 105 of RSIA. The RSIA requires that all passenger rail operators, as well as certain freight railroads, implement positive train control PTC systems by December 31, 2015. The cost of implementing PTC on public commuter railroads alone is estimated to exceed well over \$2 billion, not including costs associated with acquiring the necessary radio spectrum or the subsequent software and operating expenses. APTA urges Congress to appropriate a minimum of \$50 million, the annual authorization included under RSIA. APTA urges the Committee to direct these funds to commuter rail implementation of PTC, and to fund those systems that plan to implement before the deadline.

As the installation of PTC on nearly 4,000 locomotives and passenger cars with control cabs, and 8,000 track miles progresses, costs are beginning to mount. The total cost of implementation on commuter railroads is expected to far exceed initial estimates, with estimates doubled in some cases. Meanwhile, Congress has appropriated only \$50 million of the \$250 million that was authorized. A federally mandated deadline, coupled with virtually no federal funding is forcing agencies to commit extremely limited capital budgets to implement PTC. Commuter railroads that have begun to install PTC are facing difficult choices as some will have to defer critical safety sensitive infrastructure maintenance projects to pay for PTC. As a group, these railroads have worked in good faith to comply with the Act's requirements. Additional funding provided by Congress for the Railroad Safety Technology grants is fundamental to the industry's ability to implement PTC.

High-Speed and Intercity Passenger Rail Investment – APTA strongly supports continued investment in high-speed and intercity rail projects and services. The U.S. Census Bureau estimates that the U.S. population of our nation will grow by more than 100 million over the next 40 years. Such increases will overwhelm America's aviation, road and existing rail transportation infrastructure. To accommodate the needs of an every-growing and highly mobile population, the United States must develop and continually expand a fully integrated multimodal high-speed and intercity passenger rail (HSIPR) system. Investing in infrastructure ensures the efficient movement of people and goods that is essential to continued economic growth and other national policy goals. High speed intercity passenger rail would ultimately serve both densely populated mega-regions as well as rural and small urban communities which will benefit from the increased transfer points and feeder services connecting with new high-speed rail corridors.

Passenger rail projects are advancing in 32 states and the District of Columbia, with each project supporting economic growth by creating construction and manufacturing jobs for American

workers and attracting small businesses and new development that will generate domestic business growth. High-speed rail will create a revitalized domestic transportation industry supplying more products and services, with more dollars retained in our economy.

### **Conclusion**

We thank the subcommittee for allowing us to share APTA's views on FY 2014 public transportation and high-speed and intercity rail appropriations issues. APTA looks forward to working with the Committee as it makes investment decisions about the public transportation program.