



September 2, 2025

The Honorable Marcus J. Molinaro
Administrator
Federal Transit Administration
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Subject: Federal Transit Administration Project Management Oversight Notice of Proposed Rulemaking (Docket No. FTA-2025- 0010)

Dear Administrator Molinaro,

The American Public Transportation Association (APTA) represents a \$79 billion public transportation industry that directly employs 430,000 people and supports millions of private-sector jobs. We greatly appreciate the opportunity to respond to the Federal Transit Administration’s (FTA) Project Management Oversight Notice of Proposed Rulemaking (Docket No. FTA- 2025-0010), published in the *Federal Register* at 90 FR 28690 on July 1, 2025.

APTA strongly supports FTA’s efforts to modernize the definition of “major capital project”. However, APTA urges FTA to pursue further change and raise the threshold for project management oversight and definition of a major capital project from \$300 million to \$500 million and to eliminate the Federal funds threshold. This change would bring FTA’s regulation into parity with the Federal Highway Administration’s (FHWA) oversight threshold for major capital projects. Further, it would reduce the number of lower-risk projects undergoing project management oversight and allow FTA to focus its oversight on higher-risk projects. Eliminating this project oversight would also yield millions of dollars of cost savings to public transit agencies and FTA. At the same time, FTA would retain its authority to determine on a case-by-case basis that, regardless of total project costs, certain projects should be subject to project management oversight based on an assessment of risk.

The FTA’s proposed new threshold for major capital projects of \$400 million or more in total project costs and \$150 million or more in Federal investment would bring the definition in line with the thresholds of Small Starts projects in the Capital Investment Grants Program that were enacted in the Infrastructure Investment and Jobs Act. Under FTA’s Project Management Oversight final rule issued in 2019, the current major capital project thresholds of \$300 million or more in total project costs and \$100 million or more in Federal investment were likewise set to align with the definition in the Small Starts program at the time. Accordingly, given the proximity of the next Surface Transportation Authorization legislation, APTA believes FTA should consider setting a higher threshold, rather than base the definition on legislation that will expire in 2026.

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APTA also recommends decreasing the frequency of reviews for major capital projects to an annual process, reducing unnecessary and burdensome requirements. This recommendation brings FTA policy into parity with FHWA projects. At the same time, FTA would retain its authority to determine on a case-by-case basis that a CIG project should be subject to project management oversight or more frequent reviews based on an assessment of risk.

In its draft *Surface Transportation Authorization Recommendations (Recommendations)*,¹ APTA proposes several changes to streamline existing statutory and regulatory requirements, including harmonizing requirements across modal agencies. As a starting point, APTA believes that harmonizing project management oversight requirements will help public transportation agencies accelerate project delivery, and in turn, will increase efficiency, decrease costs, and greatly benefit the traveling public.

Specifically, APTA urges the Administration and Congress to:

- **Increase the threshold for a project to be considered a “major capital project” from \$300 million to \$500 million.** Amend 49 U.S.C. § 5327(d)(1) by striking “a project to acquire rolling stock or to maintain or rehabilitate a vehicle” and inserting—

“(A) a project to acquire rolling stock or to maintain or rehabilitate a vehicle; or”

“(B) a project with an estimated total cost of less than \$500,000,000, unless the Secretary determines project management oversight will benefit the Federal Government or the recipient.”

- **Decrease the frequency of quarterly reviews for major capital projects to annual reviews.** Amend 49 U.S.C. § 5327—

(1) In subsection (a)(12) by striking “quarterly” and inserting “annually”;

(2) In subsection (d)(2)(B) by striking “quarterly” and inserting “annual”; and

(3) In subsection (d)(3) by striking “quarterly” and inserting “annual”.

These recommendations ensure Federal oversight is reserved for higher-risk projects without discouraging innovation.

We appreciate your strong support for project management oversight of major capital projects. If you or your staff have any questions regarding APTA’s comments, please contact Ward McCarragher, Vice President, Government Affairs and Advocacy, at (202) 819-4895 or wmccarragher@apta.com, or Taria Barron, General Counsel, at (202) 496-4808 or tbarron@apta.com. Thank you for your consideration

¹ The enclosed draft *Surface Transportation Authorization Recommendations* include *Recommendations* approved by the APTA Legislative Committee through June 29, 2025. The APTA Legislative Committee will consider changes to the draft *Recommendations* and new provisions on September 14. APTA plans to finalize its *Recommendations* in fall 2025.

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and we look forward to continuing to work with FTA to streamline regulations and improve transportation.

Sincerely,

A handwritten signature in blue ink that reads "Paul P. Skoutelas". The signature is written in a cursive, flowing style.

Paul P. Skoutelas
President and CEO

Encl.