



PUBLIC TRANSPORTATION

**An Overview of the Industry, Key Federal Programs, and
Legislative Processes**

American Public Transportation Association



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION

The Public Transportation Industry:



❑ What is "public transportation"?

Public transportation or mass transit – a shared passenger transport service which is available for use by the general public, as distinct from modes such as taxicabs, ride-sharing, carpooling, or hired buses/shuttles which are not shared by strangers without private arrangement. (Wikipedia)



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION

The Public Transportation Industry:



- ❑ Characteristics of public transportation:
 - Service usually provided by a public or quasi-public entity or a contractor on behalf of a public or quasi-public entity
 - Most often operated as “scheduled” service i.e. particular days of the week, times of day, intervals during the day, etc.
 - Passengers most often charged a fare to ride



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION

The Public Transportation Industry:



□ Who provides of public transportation:

- Municipalities (i.e. City of Detroit, MI; City of Chapel Hill, NC)
- Counties (i.e. Ride-On / Montgomery County, MD; Miami-Dade Transit / Miami-Dade County, FL; Milwaukee Transport Services, Inc. / Milwaukee County, WI)
- States (i.e. Maryland DOT, Connecticut DOT)
- Non-profits (primarily smaller, organizations providing demand-response service for elderly and/or disabled)
- Unique regional, multi-state, or state chartered entities (i.e. WMATA / DC/MD/VA; Port Authority / Allegheny County, PA; MARTA / Metro Atlanta, GA)
- Regional planning agencies (Metro Transit / Minneapolis-St. Paul, MN area)



The Public Transportation Industry:



❑ Modes of public transportation:

- *Bus* (47.6% of all transit trips)
- Heavy Rail (37.4% of all transit trips)
- Light Rail (5.3% of all transit trips)
- *Commuter Rail* (4.8% of all transit trips)
- *Demand-Response Paratransit* (2.2% of all transit trips)
- *Others* (2.7% of all transit trips)



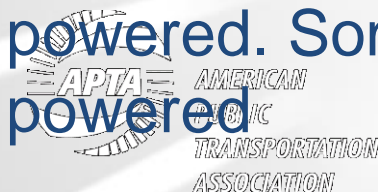
(Source: APTA 2016 Public Transportation Ridership Report)

AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION



Bus

- The most common form of transit service provided
- Buses operate on existing roadways and on fixed routes and schedules
- Commuter buses and intercity buses operate regionally bringing commuters into the city from outlying areas
- Bus Rapid Transit (BRT) buses provide higher capacity express service, often operating in special roadway lanes
- Buses are typically diesel, diesel-hybrid, or CNG powered. Some prototypes are fuel cell and battery powered.







Heavy Rail

- Heavy rail refers to traditional high platform subway and elevated rapid transit lines typically operating in an urban environment and handles a heavy passenger volume
- Operates on an exclusive right-of-way free from vehicle traffic interface
- Typically powered by through overhead catenary wire or a third rail
- Train movements are guided by a sophisticated signal system



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION





Light Rail

- An electric railway that usually runs on surface in a combination of venues including separated right-of-way and in mixed vehicle traffic
- Powered by overhead catenary wire and guided by a signal system
- Typically comprised of 1 to 4 cars with relatively short distances between stations



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION





Commuter Rail

- Often regional travel operating between a central city and adjacent suburbs
- Longer distances between stations
- Often operating by contracted arrangement on rail owned by other railroads
- Locomotives are typically diesel or diesel-electric powered
- Regulated by the Federal Railroad Administration







Demand-Response/Paratransit

- Paratransit service is typically a demand-response service but is specific to meet the needs of persons unable to use regular transit services due to their mobility limitations (also provided by non-profit entities)
- Paratransit vehicles are typically vans or small buses that can accommodate mobility devices such as wheel chairs and scooters
- Persons using paratransit services must usually meet established requirements and be registered for service use





AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION



Other Transit Modes

- Trolleys (rail and bus) / Streetcars
- Automated Rail People-Movers
- Cable Cars
- Ferries / Water Taxis
- Funiculars (Inclined Planes)
- High Speed Rail





Photo by Kevin Li
Copyright 2008

The Public Transportation Industry:



❑ How is public transportation funded?

Public transportation agency budgets require funding for *Operations* expenses (example: fuel, wages, training) and *Capital* expenses (example: parts, vehicles, facilities). Funding for these needs come through a variety of sources:

- Farebox revenue
- State and local funding
- Federal funding
- Access rights revenue
- Advertising revenue





How Public Transit Is Funded

■ *Farebox Revenue:*

- cash fares, daily/weekly/ monthly passes
- monies applied to fare media cards



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION



How Public Transit Is Funded

■ *State & Local funding:*

Dedicated operating and capital assistance is often provided by state and local governments through various local taxes i.e. hotel, rental car, or sales taxes. Additional funds are often raised through local tax measures for special transit projects.



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION



How Public Transit Is Funded

- ***Federal funding:***

The Federal Transit Administration (FTA) is the main federal agency for funding assistance through various discretionary and formula grant programs to transit agencies. The funding comes primarily from the Mass Transit Account in the Highway Trust Fund, which is composed of federal gas tax excise fees.





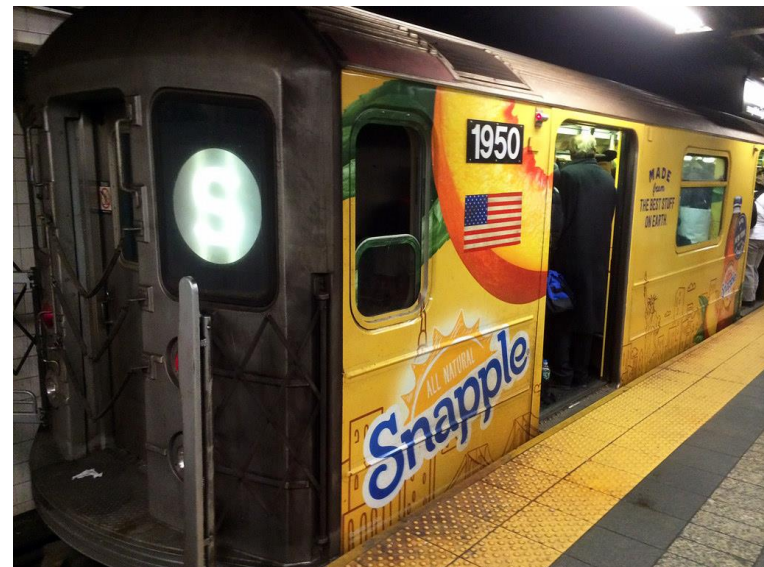
How Public Transit Is Funded

- ***Advertising Revenue:***

- advertising in & on vehicles, stations, shelters, benches

- ***Access Rights Revenue:***

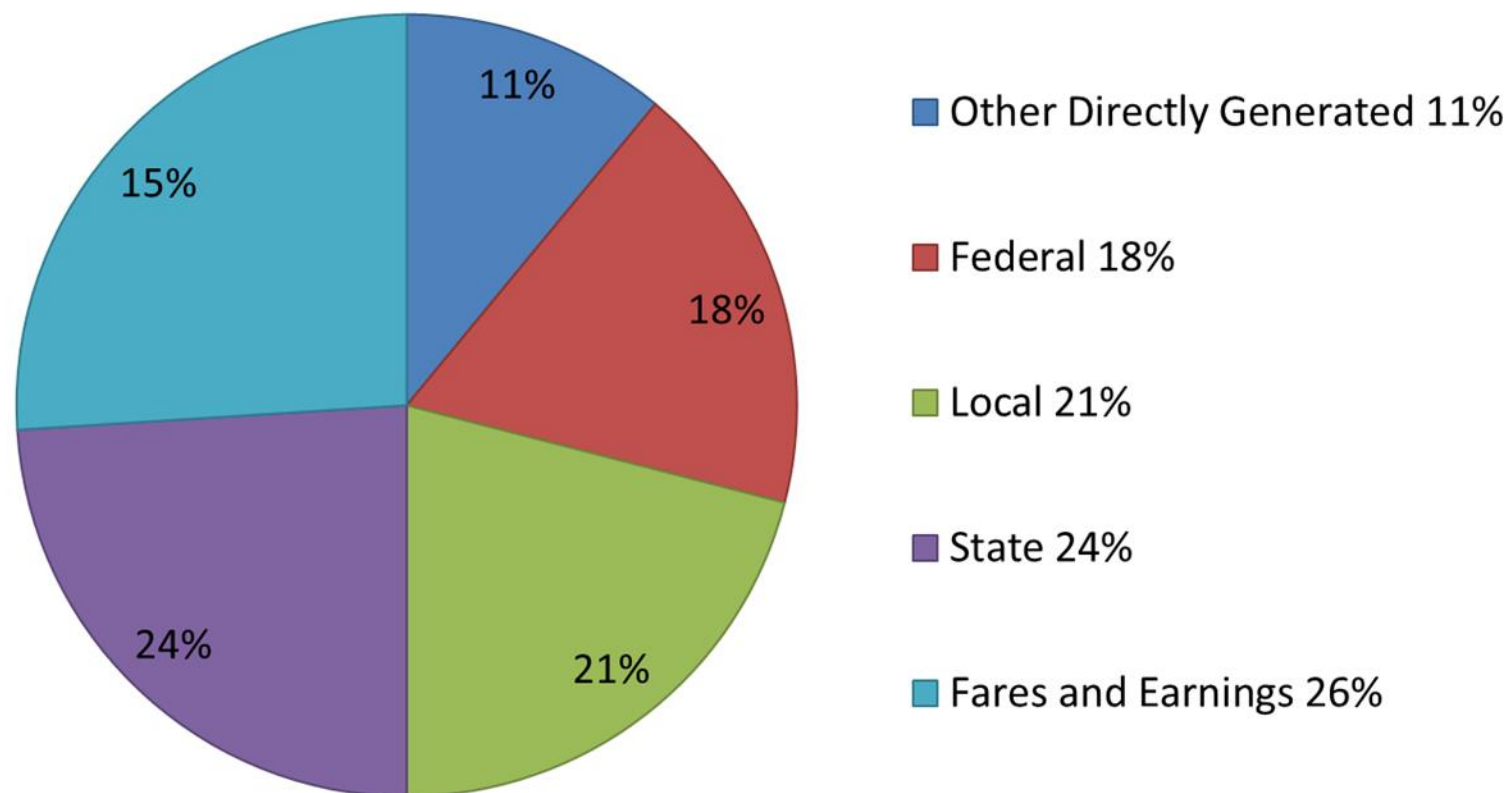
- fiber optics in tunnels
- air rights (development above property owned)





How Public Transit Is Funded

■ *Summary of Funding Sources*





Key Federal Programs:

□ The Federal Transit Administration (FTA):

- Primary federal funding and oversight agency for public transportation
- One of (9) operating administrations within the U.S. Department of Transportation:
 - Federal Aviation Administration
 - Federal Highway Administration
 - Federal Motor Carrier Safety Administration
 - Federal Railroad Administration (oversight of commuter service)
 - Maritime Administration



National Highway Traffic Safety Administration

Pipeline and Hazardous Materials Safety Administration

➤ **Saint Lawrence Seaway Development Corporation**



Key Federal Programs:

❑ The Federal Transit Administration (FTA):




- FTA funding is allocated two ways, by:
 - Formula grants – grants distributed to transit providers where funding levels are determined by federally-mandated formulas
 - Discretionary grants – grants distributed through competitive application process
- FTA programs are funded from two sources:
 - Federal excise gas tax revenues credited to the Mass Transit Account (MTA) of the Highway Trust Fund (HTF)
 - General Revenues of the U.S. government



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION



Key Federal Programs:

- ❑ Other agencies within the U.S. Department of Transportation also provide funding for public transportation:
 - Office of the Secretary (i.e. TIGER, special initiatives, etc.)
 - Federal Railroad Administration
 - Federal Highway Administration
 - Surface Transportation Program (STP)
 - Congestion Mitigation and Air Quality Improvement (CMAQ) Program
 - Transportation Infrastructure Financing and Innovation Act (TIFIA) Program
 - Projects of National and Regional Significance
 - Ferry Boat Facilities
-  **National Highway Performance Program**
-  **Emergency Relief Program**
-  **Transportation Alternatives**



Key Federal Programs:

- ❑ Other federal departments have also provided funding for public transportation initiatives:
 - U.S. Department of Homeland Security
 - U.S. Department of Energy
 - U.S. Environmental Protection Agency



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION



Legislative Processes:

- ❑ There are many Congressional legislative processes the ultimately impact public transportation policy and funding. Two key overarching processes/measures are:
 - Surface Transportation Authorization bills
 - Annual federal appropriations bills



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION



Legislative Processes:

- ❑ Surface Transportation Authorization Bill
 - A law that establishes, continues, and/or modifies federal transportation programs within the U.S. Department of Transportation for a specified amount of time
 - Establishes the terms and conditions under which federal transportation programs can operate
 - Authorizes the enactment of appropriations for federal transportation programs and specifies how appropriated funds are to be used



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION



Legislative Processes:

❑ Annual Appropriations Process

Multi-phased process that implements the federal government annual budget for a particular fiscal year

- Appropriates funding for previously authorized programs (with some exceptions)
- Come in the form of regular appropriations bills, continuing resolutions, or omnibus appropriations bills



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION



Legislative Processes:

❑ Federal Regulations

Not a “legislative” process per se but mandates for federal regulations are often "birthed" from federal legislation. Implementation of regulations can also be initiated by federal agencies

- Can guide and/or direct particular actions by entities under the oversight of federal agencies or receiving federal funding
- Implemented by process of Notice of Proposed Rule-making (NPRM)



AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION