## INVEST IN THE REST

## Build world-class transit in communities of all sizes



Public transportation unlocks economic opportunity and helps local economies thrive. Yet, federal programs provide too little support, covering only half or less of the final cost of public transit, while subsidizing highways at 80 or 90 percent. The next surface transportation reauthorization should prioritize public transit by funding it at the same levels as highways, providing a higher federal cost-share for transit projects, and making additional operating support available.

Ninety-one percent of congressional districts have at least one transit manufacturer, and recent capital improvements made in just four transit systems—San Francisco, Denver, Chicago, and Portland—supported jobs in 21 states. A 2015 report found that a 10 percent increase in public transit seats per capita results in wage increases of between \$1.5 million and \$1.8 billion per metropolitan area, depending on the size of the region. 77 percent of federal funding for <u>public transit flows to America's businesses</u>.

Americans deserve world-class transit service. The next reauthorization should make transit a priority by funding transit at the same levels as highways, providing a higher federal cost-share for transit projects, and making operating support available.

## Policies to improve the state of the system

- 1. Provide federal transit operating costs to improve transit service. Establish a dedicated federal stream of funding to support increases in transit service, including greater frequency, longer hours of service, and launching new service, as the <a href="Stronger Communities Through Better Transit Act">Stronger Communities Through Better Transit Act</a> proposes.
  - Allow an 80 percent federal cost share for transit agencies in areas of persistent poverty.
  - Redefine mobility improvement project justification based on improvements in access to jobs and essential services, and the congestion relief project justification based on whether projects allow transit users to avoid traffic congestion.
- 2. Improving rural mobility services by providing multi-year funding streams. Allow rural transit agencies to merge transit funding that comes from the Federal Transit Administration (FTA), the Department of Veterans Affairs (VA), the Department of Labor and the Department of Health and Human Services (HHS) into one program that aims to provide more frequent and responsive service to all types of communities.



- Establish greater support for rural transit to ensure more efficient and frequent bus service.
- Streamline transit funding from the FTA, VA, and HHS into a single program to ensure robust funding for rural communities.
- Expand the clearinghouse created by <u>FAST Act Section 3019</u> to include all transit agency procurement.
- 3. Lower the cost of transit projects and expedite project delivery. Provide communities with federal in-house consultation options for transit expertise to advance projects in similar ways to highway projects.
  - Create a team of experts in transit project delivery at FTA sufficient to deploy to transit agencies when they are working on major capital projects.
  - Maintain and update standard features and costs for transit components, like <u>rolling</u> <u>stock</u>, that are eligible for federal funding, allowing transit agencies to include additional customization at their own expense.
  - Ensure that project streamlining approaches provided for highways are also applied to transit projects.
- 4. Promote transit-oriented development to maximize transit efficiency and provide high-quality service. Prioritize, expedite, and provide a higher match to Capital Investment Grants projects that include value capture to support transit service and rezone or plan mixed-use, mixed-income development at and around stations.

For questions or more information, please contact our policy team at info@smartgrowthamerica.org

