112TH CONGRESS
1ST SESSION

S.

To provide flexibility of certain transit functions to local entities.

IN THE SENATE OF THE UNITED STATES

Mr. Brown of Ohio introduced the following bill; which was read twice and referred to the Committee on

A BILL

To provide flexibility of certain transit functions to local entities.

1. Be it enacted by the Senate and House of Representa-
2. tives of the United States of America in Congress assembled,

3. SECTION 1. SHORT TITLE.

4. This Act may be cited as the “Local Flexibility for
5. Transit Assistance Act”.

6. SEC. 2. FINDINGS.

7. Congress finds the following:

8. (1) While transit ridership has increased in the
9. face of falling disposable income, transit agencies
10. are being forced to implement some of the deepest
11. service cuts, sharpest fare increases and layoffs as a
result of declining revenues and increasing fuel
prices.

(2) According to the American Public Trans-
portation Association, over the past 2 years, 84 per-
cent of transit systems have raised fares, cut service,
or are considering either of these measures in the
near future.

(3) Additionally, over the same period of time,
transit systems across the country have seen a 56-
percent reduction in rush hour service, a 62-percent
reduction in off-peak service, and a 40-percent re-
duction in geographic coverage leaving thousands of
transit drivers without a job.

(4) These cuts have left thousands of transit
dependent Americans without a way to get to work.

(5) It is the policy of the Government to signifi-
cantly increase the number of individuals who have
access to viable public transportation systems and
services in order to maximize Americans' ability to
access jobs and economic opportunity.

(6) It is the policy of the Government that the
ability of all citizens to move quickly and at a rea-
sonable cost shall be increased, especially in light of
the growth in highway traffic congestion and the re-
resulting cost to our Nation’s productivity and economic strength.

SEC. 3. URBANIZED AREA FORMULA GRANTS.

Section 5307(b)(1) of title 49, United States Code, is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (G) and (H), respectively; and

(2) by inserting after subparagraph (D)—

"(E) operating costs of equipment and facilities for use in public transportation in an urbanized area with a population of more than 200,000 for a designated recipient, direct recipient, or subrecipient under section 5311, providing public transportation in the area and operating less than 100 buses in fixed-route service in such area during peak service hours."

SEC. 4. TARGETED AND TEMPORARY FLEXIBILITY FOR DESIGNATED RECIPIENTS IN CRISIS.

Chapter 53 of title 49, United States Code, is amended by adding at the end the following:

"SEC. 5341. TARGETED AND TEMPORARY FLEXIBILITY FOR DESIGNATED RECIPIENTS OR DIRECT RECIPIENTS IN CRISIS.

(a) DEFINITION.—For purposes of this section the term ‘crisis period’ means that the unemployment rate, as
defined by the Bureau of Labor Statistics, of any metropolitan statistical area located within a designated recipient's or direct recipient's service area is at or higher than 7 percent for the preceding month or the national average retail price of regular grade gasoline during a quarter, as reported by the United States Energy Information Administration, has increased by more than 10 percent compared to the same quarter during the previous year.

"(b) CONDITIONS FOR FLEXIBILITY.—

"(1) IN GENERAL.—If a designated recipient or direct recipient operates at least 100 buses in fixed-route service during peak service hours, in an urbanized area with a population of more than 200,000, and is certified under paragraph (3) as being in a crisis period, the agency may use funds provided under section 5307 for operating costs of equipment and facilities, subject to the conditions set forth in paragraphs (2) and (3).

"(2) LIMITATION ON USE OF FUNDS.—A designated recipient or direct recipient that meets the criteria set forth in paragraph (1) may use—

"(A) 50 percent of funds provided under section 5307 if it operates in an urbanized area with a population of more than 200,000 but less than 500,000;
“(B) 45 percent of funds provided under section 5307 if it operates in an urbanized area with a population of more than 500,000 but less than 1,000,000; or

“(C) 40 percent of funds provided under section 5307 if it operates in an urbanized area with a population of more than 1,000,000.

“(3) CERTIFICATION BY SECRETARY.—To be eligible to use funds for operating costs of equipment and facilities under this section, a designated recipient or direct recipient shall request that the Secretary certify, not later than 30 days after such request is made, that the agency is in a crisis period. After each quarter, the Secretary shall monitor each designated recipient or direct recipient in a crisis period to determine if the agency no longer qualifies as being in a crisis period. When the Secretary determines that an agency is no longer in a crisis period, the agency has 3 additional consecutive quarters to use the funds for operating costs of equipment and facilities.

“SEC. 5342. LOCAL CONTROL OF TRANSIT OPERATING FLEXIBILITY.

“(a) GENERAL ELIGIBILITY REQUIREMENTS.—If a designated recipient or direct recipient operates at least
100 buses in fixed-route service during peak service hours
and is in an urbanized area with a population of more
than 200,000 and—

“(1) such recipient’s percentage of revenue for
the operating cost of equipment and facilities for use
in public transportation from non-Federal sources,
excluding system-generated revenue, is at least equal
to such revenue from the previous fiscal year; or

“(2) the recipient receives revenue for the oper-
ating cost of equipment and facilities for use in pub-
lic transportation derived in whole or in part from
dedicated sources of revenue;
the designated recipient or direct recipient may use funds
provided under section 5307 for operating costs of equip-
ment and facilities, subject to the percentage limitations
in subsection (b).

“(b) LIMITATIONS ON USE OF FUNDS.—A des-
gnated recipient or direct recipient that meets the criteria
set forth in subsection (a) may use—

“(1) 30 percent of such funds if the area served
has a population of more than 200,000 but not more
than 500,000;

“(2) 25 percent of such funds if the area served
has a population of more than 500,000 but not more
than 1,000,000; or
“(3) 20 percent of such funds if the area served has a population of more than 1,000,000.

(c) CONDITIONAL INCREASE IN PERCENTAGE LIMITS.—If the designated recipient’s or direct recipient’s percentage of revenue for the operating cost of equipment and facilities for use in public transportation from non-Federal sources, excluding system-generated revenue, is greater than such revenue from the previous fiscal year, the designated recipient or direct recipient may increase the applicable percentage specified in subsection (b) by a percentage that is not greater than the year-over-year increase in such amount.”