

S.L.C.  
Shirley Brown112TH CONGRESS  
1ST SESSION

S. \_\_\_\_\_

To provide flexibility of certain transit functions to local entities.

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## IN THE SENATE OF THE UNITED STATES

(for himself, Mr. WYDEN and Mrs. Shaheen)  
Mr. BROWN of Ohio introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**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

1 result of declining revenues and increasing fuel  
2 prices.

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

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

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

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

21 (6) It is the policy of the Government that the  
22 ability of all citizens to move quickly and at a rea-  
23 sonable cost shall be increased, especially in light of  
24 the growth in highway traffic congestion and the re-

1 sulting cost to our Nation's productivity and eco-  
2 nomic strength.

3 **SEC. 3. URBANIZED AREA FORMULA GRANTS.**

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

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

8 (2) by inserting after subparagraph (D)—

9 “(E) operating costs of equipment and fa-  
10 cilities for use in public transportation in an ur-  
11 banized area with a population of more than  
12 200,000 for a designated recipient, direct re-  
13 cipient, or subrecipient under section 5311, pro-  
14 viding public transportation in the area and op-  
15 erating less than 100 buses in fixed-route serv-  
16 ice in such area during peak service hours.”.

17 **SEC. 4. TARGETED AND TEMPORARY FLEXIBILITY FOR DES-**  
18 **IGNATED RECIPIENTS IN CRISIS.**

19 Chapter 53 of title 49, United States Code, is amend-  
20 ed by adding at the end the following:

21 **“SEC. 5341. TARGETED AND TEMPORARY FLEXIBILITY FOR**  
22 **DESIGNATED RECIPIENTS OR DIRECT RE-**  
23 **CIPIENTS IN CRISIS.**

24 “(a) DEFINITION.—For purposes of this section the  
25 term ‘crisis period’ means that the unemployment rate, as

1 defined by the Bureau of Labor Statistics, of any metro-  
2 politan statistical area located within a designated recipi-  
3 ent's or direct recipient's service area is at or higher than  
4 7 percent for the preceding month or the national average  
5 retail price of regular grade gasoline during a quarter, as  
6 reported by the United States Energy Information Admin-  
7 istration, has increased by more than 10 percent compared  
8 to the same quarter during the previous year.

9 “(b) CONDITIONS FOR FLEXIBILITY.—

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

19 “(2) LIMITATION ON USE OF FUNDS.—A des-  
20 igned recipient or direct recipient that meets the  
21 criteria set forth in paragraph (1) may use—

22 “(A) 50 percent of funds provided under  
23 section 5307 if it operates in an urbanized area  
24 with a population of more than 200,000 but  
25 less than 500,000;



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

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

8           “(3) CERTIFICATION BY SECRETARY.—To be el-  
9           igible to use funds for operating costs of equipment  
10          and facilities under this section, a designated recipi-  
11          ent or direct recipient shall request that the Sec-  
12          retary certify, not later than 30 days after such re-  
13          quest is made, that the agency is in a crisis period.  
14          After each quarter, the Secretary shall monitor each  
15          designated recipient or direct recipient in a crisis pe-  
16          riod to determine if the agency no longer qualifies  
17          as being in a crisis period. When the Secretary de-  
18          termines that an agency is no longer in a crisis pe-  
19          riod, the agency has 3 additional consecutive quar-  
20          ters to use the funds for operating costs of equip-  
21          ment and facilities.

22   **“SEC. 5342. LOCAL CONTROL OF TRANSIT OPERATING**  
23                   **FLEXIBILITY.**

24          “(a) GENERAL ELIGIBILITY REQUIREMENTS.—If a  
25          designated recipient or direct recipient operates at least

1 100 buses in fixed-route service during peak service hours  
2 and is in an urbanized area with a population of more  
3 than 200,000 and—

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

9 “(2) the recipient receives revenue for the oper-  
10 ating cost of equipment and facilities for use in pub-  
11 lic transportation derived in whole or in part from  
12 dedicated sources of revenue;

13 the designated recipient or direct recipient may use funds  
14 provided under section 5307 for operating costs of equip-  
15 ment and facilities, subject to the percentage limitations  
16 in subsection (b).

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

20 “(1) 30 percent of such funds if the area served  
21 has a population of more than 200,000 but not more  
22 than 500,000;

23 “(2) 25 percent of such funds if the area served  
24 has a population of more than 500,000 but not more  
25 than 1,000,000; or

1           “(3) 20 percent of such funds if the area served  
2       has a population of more than 1,000,000.

3       “(c) CONDITIONAL INCREASE IN PERCENTAGE LIM-  
4 ITS.—If the designated recipient's or direct recipient's  
5 percentage of revenue for the operating cost of equipment  
6 and facilities for use in public transportation from non-  
7 Federal sources, excluding system-generated revenue, is  
8 greater than such revenue from the previous fiscal year,  
9 the designated recipient or direct recipient may increase  
10 the applicable percentage specified in subsection (b) by a  
11 percentage that is not greater than the year-over-year in-  
12 crease in such amount.”.