

# United States Senate

July 9, 2015

The Honorable Richard Shelby  
Chairman  
Committee on Banking, Housing  
and Urban Affairs  
534 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Sherrod Brown  
Ranking Member  
Committee on Banking, Housing  
and Urban Affairs  
534 Hart Senate Office Building  
Washington, D.C. 20510

Dear Chairman Shelby and Ranking Member Brown:

As you prepare the transit title for a long-term surface transportation reauthorization bill, I respectfully request that you consider the following items of importance to transit systems and riders in Montana and across rural America. Rural transit systems play a critical role in our economy by enhancing options for rural citizens to access health care, employment and education. I am pleased to see the Committee is drafting its portion of a long-term surface transportation reauthorization bill as I strongly believe making investments in our nation's infrastructure is essential to building a 21<sup>st</sup> century economy for our children. Please consider taking the following priorities into account as you draft the transit title of the reauthorization bill:

*Rural Transit Program (5311):* The Formula Grants for Rural Areas program, known as the 5311 program, provides formula based funding for public transportation in rural areas. It serves as the backbone for many rural transit systems and makes public transportation possible in low population density areas. In the last year, MAP-21 invested \$607.8 million in the 5311 program with dedicated funds from the Highway Trust Fund. \$607.8 million is approximately 7.1 percent of the \$8.595 billion made available in that year for all transit programs funded from the trust fund. I urge the Committee to increase, or at least maintain, 5311's share of the trust funded transit program in the reauthorization bill so transit can continue to be an effective part of rural America.

*Tribal Transit Program:* MAP-21 doubled the overall size of the Tribal Transit Program (TTP) and expanded the program to include a discretionary grant program. Prior to MAP-21, formula grants for tribal transportation received \$15 million annually. TTP now provides \$25 million for formula grants and \$5 million for discretionary grants. While a ten percent local match is required under the discretionary program, there is no local match required under the formula program.

For the reauthorization bill, I urge the Committee to increase the formula portion of the TTP to \$35 million and discretionary grants to \$10 million. In addition, I recommend implementing a minimum amount of funding for each tribal transit system to ensure that smaller operations are able to maintain service. I also suggest removing the local match requirement for the discretionary program. Finally, I note that the TTP is currently drafted as a set aside from the 5311 program. I urge the Committee to structure the requested increase for the TTP in a way that does not reduce the funds available to other investments under 5311. Instead, an increase to TTP should be paid for with new resources dedicated from the mass transit account of the Highway Trust Fund.

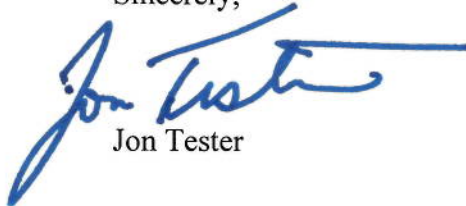
*Bus and Bus Facilities Program (5339):* The Bus and Bus Facilities Program, or the 5339 program, provides critical resources for transit systems to purchase and rehabilitate buses, equipment and bus related facilities. The program currently operates as formula based. A majority of the formula funds are distributed based on ridership and population while a relatively modest amount of funds are evenly distributed to the states. I urge the Committee to increase funds for the 5339 program. Additional resources to purchase buses are a key component to expanding rural transit systems as too often rider demand exceeds bus availability. Furthermore, I urge the Committee to increase the proportion of funds under this section that are distributed evenly among the states.

If the Committee chooses to create a new discretionary fund for the 5339 program, I encourage the Committee to establish a set aside for rural states and systems. Also, if a discretionary program element is created, the 5339 program should allow an application by a state department of transportation for statewide bus needs. This would allow for more flexible and efficient allocations to small transit systems within the state.

*Regulatory and Program Requirements:* New regulatory and program requirements tend to create disproportionate burdens on smaller transit systems as small systems often have extremely limited resources for administrative efforts such as asset management planning reports. As the Committee considers regulatory issues in the reauthorization bill, please consider when relief for rural states and systems may be appropriate.

Thank you for taking these priorities into consideration. Please feel free to contact me if you or your staff has any questions about these requests.

Sincerely,



Jon Tester