Honoring the FAST Act

FY 2019 Spending Levels
Notes

- Formula program proposals largely match FAST Act
- Capital Investment Grants outside Trust Fund
- 5339 identified for significant increase in President’s proposal
CTAA’s Legislative Priorities

Approved by CTAA’s Board of Directors

- Continued Growth for Bus & Facilities Funding
- On-Demand Mobility for Rural & Specialized Communities
- Right-Sized Regulations
- Preserve the Medicaid NEMT Benefit
- NEMT Opportunities Beyond Medicaid
- Prepare for the 2020 Census
- Create Local Match Relief During Disasters
The reauthorization of the Fixing America’s Surface Transportation Act (FAST Act) is rapidly approaching and so are discussions on what should be included in the new legislation. A dominating conversation around reauthorization goals has been, “How can Congress increase revenue for the Highway Trust Fund?”

Before we can answer that question, we should examine how the current deficit came to be. Since 1956 (the HTF’s year of creation), federal surface transportation programs have been largely funded by taxes on motor fuels that flow into the HTF. These trust fund-based taxes have historically been user-fee based; governed by the principal “if you use it, you pay for it.” As the highway system continued to expand, maintenance costs piled on and more people started driving, the gas tax was steadily increased to alleviate financial burdens. Gas taxes have increased four times since the HTF’s creation: in 1959, 1982, 1990, and 1993.

1982 marked a significant year for transit. It was the year the HTF was divided into two accounts: the Highway Account and the Mass Transit Account, beginning the flow of funds to support transit directly. The gas tax was increased to nine cents that year, with the Highway Account receiving eight cents and the Mass Transit Account receiving one cent.

As noted above, the gas tax hasn’t increased since 1993, with the current rate taxing at 18.4 cents for each gallon of gasoline and 24.4 cents for each gallon of diesel. Due to the lack of gas tax indexing, the Congressional Budget Office predicts that by 2026, the HTF will have a cumulative shortfall of $75 billion. When the gas tax was initially implemented, present-day challenges such as electric vehicles and Corporate Average Fuel Economy (CAFE) standards were not yet in existence. CAFE standards have dramatically improved auto fuel efficiency since the 1990s and have contributed to the decline in gas tax revenues per mile. In order to adjust for these lacking funds, the U.S. Treasury has transferred more than $140 billion of general funds to the HTF (over the last ten years) in order to keep it solvent.

Not only has the transfer of general funds to the HTF demonstrated the overwhelming budget shortfalls, but it also has the potential to severely impact the work of government agencies such as the Federal Transit Administration, as observed in the most recent 32-day government shutdown. Because the Mass Transit Account, which funds FTA, has been almost entirely funded by general funds over the past decade (rather than already-authorized HTF funds), government shut downs leads to FTA employees being sent home. The latest shutdown critically impacted many small-urban and rural transit agencies because they were not able to receive their approved federal grants, let alone any of their questions answered by an employee.
Section 5339 Stability
STIC Increase Bill:

H.R. 3758

Bipartisan measure introduced by Reps. Stanton (AZ), Davis (IL), Panetta (CA) & Palazzo (MS)

Starting Senate counterpart bill
Competitive Bus & Bus Facilities Grants: Trends – 2016 - 2018

The federal competitive bus and bus facilities program – Section 5339b – is administered by the Federal Transit Administration (FTA) and delivers crucial capital investment to replace aging buses and facilities. What follows is CTA’s analysis of the past three years of competitive grant selections by the FTA.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Projects</th>
<th>Average Amount Per Project</th>
<th>Total $ Available &amp; Requested</th>
<th>Ratio of $ Requested to Available $ Per FTA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>61</td>
<td>$3.5 million</td>
<td>61</td>
<td>8 to 1</td>
</tr>
<tr>
<td>2017</td>
<td>139</td>
<td>$1.9 million</td>
<td>139</td>
<td>10 to 1</td>
</tr>
<tr>
<td>2018</td>
<td>107</td>
<td>$3.4 million</td>
<td>107</td>
<td>8 to 1</td>
</tr>
</tbody>
</table>

Percentage of Projects by Population Category:
- Large Urban: 25%
- Small Urban: 20%
- Rural: 15%
- Tribal: 40%

Percentage of Vehicle, Facility & Statewide Projects:
- Vehicles: 64%
- Facilities: 46%
- Statewide: 18%
On-Demand Mobility for Rural & Specialized Communities

Concepts & Developments

- FY ‘19 Appropriations includes funding for applied technology technical assistance center

- CTAA Member Julia Castillo (HRTA – Iowa) testifies before House T&I Committee in fall 2018

- CTAA members deploying limited use of on-demand solutions (Wheels2U – Norwalk Transit District, Connecticut)

- EXPO: It’s Time to Be Bold – Road Map Session
MOBILITY INNOVATION & OUTCOMES
IN ACTION

Improving Community Outcomes Through Better Transportation Options

Too much of the mobility innovation discussion is just talk. Communities are searching for solutions to a range of challenges and need to respond—now. CTA and its members are deploying new approaches through projects on-the-ground in communities across the country.

Learn more at www.ctaa.org

COMMUNITY: Showassee, MI
CHALLENGE: Build a community network to support those leaving addiction reach required program locations, some with only hours notice.
INNOVATION: Creation of a Community Hub for Drug Court participants to locating service and providing access to rides and volunteer drivers to reach other program locations.

COMMUNITY: Huntington, WV
CHALLENGE: Connect those seeking medical care and ongoing treatment for opioid-related addiction with free or low-cost mobility options.
INNOVATION: Subsidization of trips on public transit and ridehailing services to reach drug and alcohol treatment, along with training for case workers and others who work to increase familiarity with mobility needs and options.

COMMUNITY: Oklahoma City, OK
CHALLENGE: Increase rates of parental reunification for families with children in the foster care system.
INNOVATION: Development of mobility management resources to connect parents with affordable mobility options to reach reunification process meetings and programs via public transit and ridehailing options.

COMMUNITY: Princeton, IN
CHALLENGE: Improve local community transportation options to connect residents with employment, education and community services.
INNOVATION: In partnership with Toyota, CTA worked with local mobility providers in each community to assess needs, determine opportunities and identify responsive and sustainable transportation services.

COMMUNITY: Southern Maryland
CHALLENGE: Reduce no-show and cancellation rates for medical appointments and treatment in a three-county region.
INNOVATION: Identification of under-utilized, mid-day capacity at local transportation providers and creation of an app for health care providers to directly schedule trips for patients likely to miss an appointment.

COMMUNITY: Flint, MI
CHALLENGE: Improve effectiveness of non-emergency medical transportation (NEMT) services to better serve customers.
INNOVATION: Flint MTA cultivated relationships with regional medical providers to allow for same-day and real-time trip scheduling and utilize smaller, more efficient vehicles that offer improved accessibility and comfort for riders.

COMMUNITY: Medford, OR
CHALLENGE: Operate more fuel-efficient transit vehicles that also reduce the agency’s carbon emissions footprint.
INNOVATION: Rogue Valley Transit District is preparing to install a fueling system that captures methane emitted from a nearby landfill that is converted to power the agency’s fixed-route buses, releasing no harmful emissions from the vehicles.

By utilizing design-thinking principles and incorporating community-based assessment and planning practices, CTA and its members are delivering these and other innovative projects that recognize the role of technology as a tool to achieve better outcomes, not an end in itself. We believe this approach to improving community mobility can lead to a future of new paradigms and models that address other significant challenges, such as:
- Access to education
- Affordable housing
- Behavioral health
- Child care
- Homelessness
- Migrant & refugee communities
- Planning and land use
- Serving veterans
- Tribal communities
Right-Sized Regulations

Key Issues

- Build off momentum from safety rules deferment (rural) & exemption (specialized)

- Solutions-oriented approach

- Partnership with AASHTO

- Consultation with FTA & DOT on improvements on circulars and guidance

- Statutory changes for reauthorization
Statistics from the National Transit Database (2017)

RURAL TRANSIT'S OUTSTANDING SAFETY RECORD

Analysis by the

1,270+ Systems
Rural Transit Providers

24,000+ Vehicles
Total Rural Transit Vehicles

128.7 Million Riders
Total Annual Passenger Trips

27.5 Million Service Hours
Annual Vehicle Revenue Hours

487 Million Miles
Annual Vehicle Revenue Miles

Fatalities Involving Rural Transit

Note: Data from any reported incident involving a rural transit vehicle, regardless of at-fault driver

Total Transportation Fatalities by Mode (2017)

<table>
<thead>
<tr>
<th>Mode</th>
<th>Fatalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car occupants</td>
<td>13,363</td>
</tr>
<tr>
<td>Pedestrians</td>
<td>5,977</td>
</tr>
<tr>
<td>General aviation</td>
<td>330</td>
</tr>
<tr>
<td>Intercity &amp; commuter rail</td>
<td>304</td>
</tr>
<tr>
<td>Rail transit</td>
<td>143</td>
</tr>
<tr>
<td>Urban transit</td>
<td>98</td>
</tr>
<tr>
<td>Rural transit</td>
<td>4</td>
</tr>
<tr>
<td>U.S. Air carriers</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: U.S. DOT Bureau of Transportation Statistics

Note: Fatalities for rail include suicide, trespassing and grade crossings. Transit fatalities include all accidents involving transit vehicles, including deaths from car occupants.
State Medicaid programs are required to provide necessary transportation for beneficiaries to and from providers through the non-emergency medical transportation (NEMT) benefit, which facilitates access to care, and positively impacts an individual’s health care outcomes.

Despite the positive outcomes from providing transportation, there have been gathering threats against the benefit that could potentially eliminate an important benefit for millions of Medicaid beneficiaries, impacting access to care, and damaging health care outcomes.


"Nonemergency Medical Transportation.—Nothing […] shall be construed as requiring a State plan under this title (or a waiver of the plan) to provide for transportation to and from providers as specified in section 431.53 of title 42, Code of Federal Regulations (as in effect on the date of the enactment of this subsection)."

**HHS and CMS Joint Letter to the Nation’s Governors**

"States may also consider creating greater alignment between Medicaid’s design and benefit structure with common features of commercial health insurance, to help working age, nonpregnant, non-disabled adults prepare for private coverage. These state-led reforms could include[…] Waivers of non-emergency transportation benefit

**Putting America First – The President’s Budget for HHS FY2019**

"Make Medicaid Non-Emergency Medical Transportation Optional. Under current regulations, states are required to provide Non-Emergency Medical Transportation to all Medicaid beneficiaries. The Budget commits to using regulatory authority to change provision of this benefit from mandatory to optional. [No budget impact]"

**HHS and CMS Annual Unified Agenda**

"This proposal will reexamine current regulations under which States are required to assure NEMT for all Medicaid beneficiaries when they have no other means of accessing medical services. The goal of this proposed rule is to provide States with greater flexibility as part of the administration’s reform initiatives."

**Help Us Defend the NEMT Benefit**

Create a long term statutory safeguard for the NEMT benefit and move it from regulation into Medicaid statutes.

Support the Congressional Black Caucus’ appropriations limitation language blocking against the potential policy changes that could eliminate the NEMT Benefit.

NEMT is an essential component of our Nation’s health care delivery system, particularly in rural areas.

Over half of Medicaid transportation services are utilized by patients with the highest burden of chronic disease.

Currently NEMT is utilized by roughly 10% of Medicaid beneficiaries, and only accounts for 1% of Medicaid spending.

Elimination of the NEMT benefit would have adverse impacts on patients, the health care system, and state budgets.

CTAA is currently tracking developments around the NEMT benefit and is working with a number of key stakeholders in this arena to develop and implement an advocacy and policy strategy. Contact CTAA Health Care and Transportation Associate, Alex King at king@ctaa.org or 202-340-5284 for more information.
Priorities for Reauthorization of Federal Surface Transportation Legislation

Community Transportation Association of America

2018 | www.ctaa.org | @OfficialCTAA

OBJECTIVE
Ensuring investment in mobility that generates improved outcomes for people and communities

CTAA – on behalf of its more than 1,200 members – supports reauthorization of federal surface transportation legislation (currently known as the FAST Act) that is responsive, predictable and flexible in order to leverage state, local and private-sector investment and meet ever-changing mobility needs in communities across the country.

Non-Investment Topics for Reauthorization

- Increase STIC set-aside from 2 to 3 percent
- Temporary local match relief during disasters
- Formula funds distribution during shutdowns
- Raising $5000 limit on used vehicle sales
- Accounting for transit’s fully-allocated benefits

Policy Objectives

- Maintain & Grow Transit Formula Programs
  Formulated federal transit programs – including those for rural and urban areas, specialized mobility for seniors and people with disabilities, and for new buses & facilities – are the backbone of the community and public transportation industry.
  Bipartisan leaders in both Congress and across multiple administrations have recognized that value with increased funding in both the authorization and appropriations processes. This growth must continue in order to meet communities’ increasing and evolving needs.

- Sensible Regulations
  Transit managers often tell us that reduced administrative burdens would allow more valuable increased funding for essential services. The intentions behind many transit regulations are noble, but in application, they are often too broadly applied across our industry, regardless of the size or performance.
  CTAA has identified a number of challenges from end-to-end – more importantly – solutions to current regulations to provide relief to many small, rural and specialized mobility providers.

- Data-Driven, Performance-Based Innovation
  Every day, new technologies and concepts are impacting mobility in communities of all sizes.
  Mobility providers have always been nimble and adept responding to both opportunities and challenges with flexible and responsive solutions to meet needs.
  Federal transit programs should reward performance and incentivize innovation to achieve even better outcomes and adapt to changing trends.
  The current Small Transit Intensive Cities (STIC) program – benefiting high-performing, small urban communities – should find its set-aside increased from 2 to 3 percent, and is a model worthy for replication to foster more and better service in both larger urban and rural areas.

- Revenue Certainty
  Recent federal surface transportation authorizations (MAP-21, FAST Act) have relied on short-term, stopgap measures and general fund transfers by Congress to make up the shortfall between declining federal gas tax receipts and investment needs across the range of federal surface transportation programs.
  A multi-year authorization must be paired with an increase in the federal gas tax for at least the duration of the authorization period to provide stability to the transportation trust fund accounts.

- Explore Long-Term Revenue Mechanisms
  While the federal gas tax has generated revenue to support surface transportation investments in community and public transportation for more than a half century, its purchasing power is dwindling as vehicles become more fuel efficient and its purpose is missaligned with transit’s objective to provide mobility alternatives to single-occupant car use.

New authorization legislation is an opportunity to consider and test out new revenue collection mechanisms that have the potential to replace the federal gas tax, including a Vehicle Miles Traveled (VMT) fee as well as value capture tools that can translate the improved individual and societal outcomes that reliable, effective and efficient mobility options can provide.
Realizing Transit’s Fully-Allocated Benefits

Innovation and technology offer tremendous opportunities for community and public transportation providers to address the priorities of their communities and customers. Like a manager at any business, transit leaders must make informed decisions on tradeoffs between operational efficiency and expanded services.

Even when armed with new technology and innovative strategies, there are seldom win-win scenarios where mobility providers can reduce their costs while delivering a better product at the same time. In an era of constrained investment, these organizations can utilize innovative practices and emerging technology to provide more options using the same resources, or they can provide the same options when fewer resources are available. They cannot do both.

Rural and specialized transportation agencies have long been pitched the concept of coordination, which is often just a misguided mandate that mobility providers finely thread the needle of doing more with less. Mindful of our industry’s responsibility to be good stewards of public investment, its mission is to meet the mobility needs of a given region by operating responsive, effective and efficient service. Innovation and technology are important tools leaders in any profession use to achieve these objectives. But technology and innovation are not goals in of themselves. Delivering improved mobility requires commitment from communities and their elected officials.

For transit professionals and advocates alike, it’s easy to get caught in an argumentative trap by those who portend to be in search of reasonable policy positions but are instead solely focused on cutting or reducing public investment. Community and public transportation does best in the marketplace of ideas when it delivers an honest articulation of its value to the communities it serves. That perspective must acknowledge that the point of good mobility options are to realize positive outcomes, both individually for the riders they serve and collectively, for the communities that support them.

Too often, the value determination of transit service is understood as nothing more than the product of subtracting a system’s capital and operating costs from its ridership numbers. That perspective assumes that a trip is the end result of access to mobility options. In reality, each trip is instead a means to an end, whether that’s reaching employment, healthcare, housing, education and so much more.

In the transit industry, we often use the phrase fully-allocated costs to determine the totality of expenses incurred in providing a certain transportation service. It’s telling that there’s no corresponding phrase to account for the fully-allocated benefits of the opportunities that service provides.

In our previous Mobility Trends infoCard #4, we tackled the notion of the mythical, inefficient $40 one-way transit trip. And that while the cost of that trip may be high, the positive outcomes it may generate in allowing the rider to avoid unemployment, hospitalization or social isolation – among other outcomes – amount to a screaming good deal for the public. When armed with reliable data to demonstrate these returns on investment, transit supporters have a fair fight in the argument that mobility providers should never be expected to do more with less.

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It's Time To Be Bold

The future of mobility is emerging rapidly and it's time for community and public transportation providers and advocates to seize the opportunity to reshape their communities.

EXPO 2019 is geared to help you urgently – but intentionally – position your organization and services to thrive, through completely revamped workshop sessions, updated and enhanced intensive training courses and dynamic networking opportunities.

Full details at www.ctaa.org/expo

Shape Our Roadmap for the Future
Many discussions on mobility's future have delivered a lot of ideas and discussion but little action. EXPO 2019 will be different, with a Roadmap session included with the topic sessions for our Innovation, Operations, Investment and People Power tracks to chronicle and synthesize input from our expert presenters and participants.

Additionally, we’ll initiate an online forum to allow those who can’t attend EXPO to contribute to this agenda-setting work for our industry.

Revamped Workshops
A refined lineup of workshop tracks and topics highlights our new bold approach at EXPO 2019. We’ve also included sessions for emerging, intermediate and advanced experience levels in our industry. Additionally, a refreshed format focuses on skills-based learning from expert presenters trained in energetic delivery and facilitating audience interaction.

Updated Training
Our vision for EXPO 2019’s intensive training options includes:
- All CTAA certification programs
- PASS, CCTM, CCCT, CSSO, PDS & VMMI - updated since July 2017
- New one-day courses on human resources, NEMT beyond Medicaid, procurement and more
- Continued, popular sessions on marketing, financial management and the Keys to NEMT Success

Browse the Trade Fair
With more than 100 companies expected to exhibit at EXPO’s Trade Fair on May 21 & 22, experience the latest products and services tailored to the needs of mobility providers and programs.

The Value of Networking
EXPO is not just a collection of scheduled events to deliver information through formal presentations, but also direct knowledge-sharing among peers. Events ranging from our Conference Luncheon and Pecha Kucha Night to Speed Networking with the Vendors and our annual Big Night Out set aside.

CTAA’s 30th Annual Roadshow
We celebrate three decades of honoring the best of our industry: our drivers! More than 70 drivers and 100 judges are expected to participate in this two-day competition on May 18 & 19.

Follow us on Twitter at @CTAA_EXPO
Questions and Discussion

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