

FTA

FEDERAL TRANSIT ADMINISTRATION

CMAA Owner Program FTA CARES Act & COVID-19 Response Efforts

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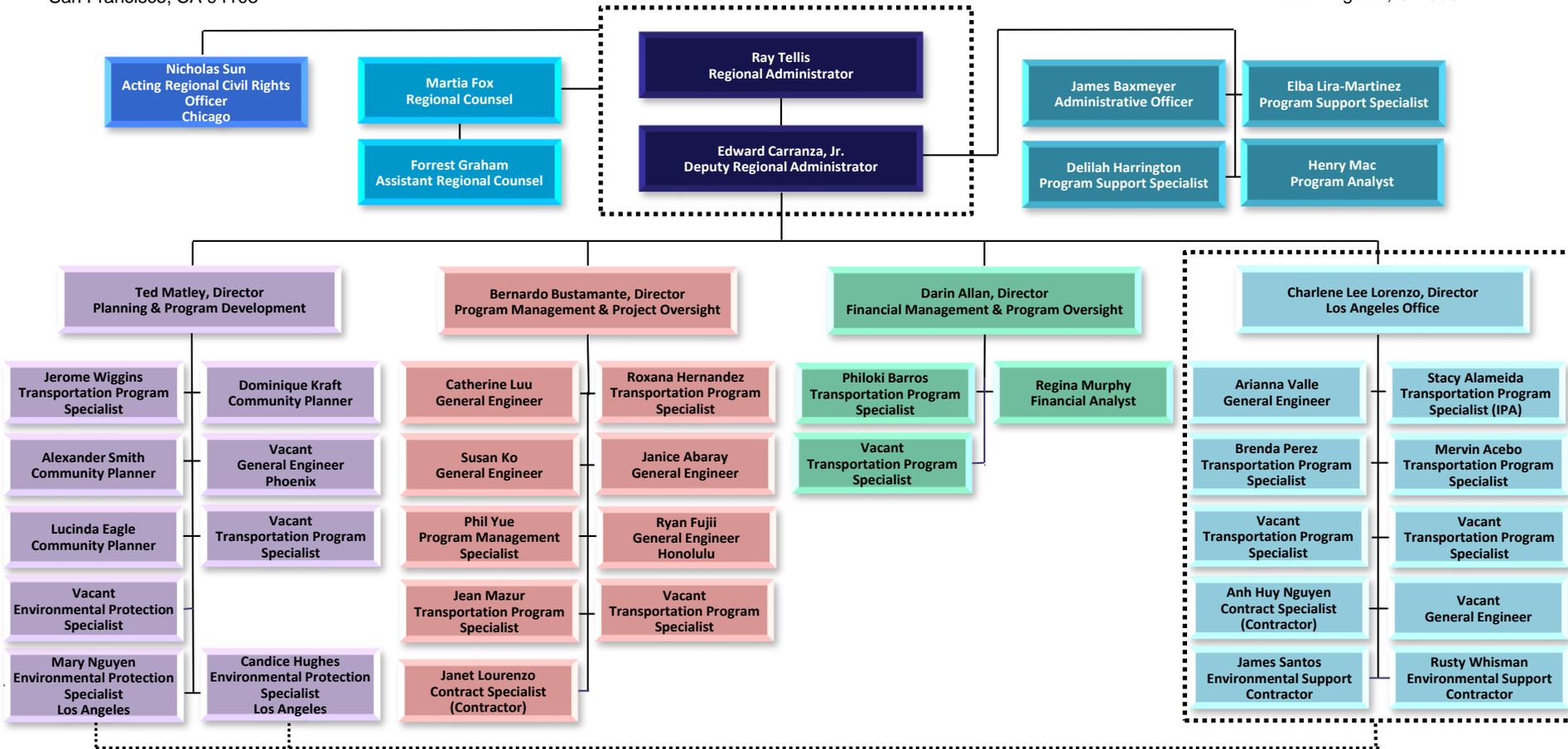
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**Any views expressed in this presentation
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Effective 7-20-20

CARES Act

- President Trump signed the [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#) into law on March 27, 2020
- FTA allocated \$25 billion to recipients of urbanized area and rural area formula funds
 - \$22.7 billion to large and small urban areas
 - \$2.2 billion to rural areas
- Funding provided at a 100% federal share to support capital, operating, and other expenses to prevent, prepare for, and respond to COVID-19

CARES Act – contd.

- Operating expenses (no limit) after January 20, 2020 are eligible, as well as paying for administrative leave for transit personnel due to reduced operations during an emergency
- Expanded eligibility using existing federal assistance under FTA's Emergency Relief Program to help transit agencies respond to COVID-19
- Exclusion from TIP/STIP for operating projects and recovery and rebuild capital projects

CARES Act – contd.

- Provided administrative relief from reporting requirements, oversight reviews, and some regulatory deadlines and developed FAQs
- As of July 30th, awarded 577 CARES Act grants totaling \$21.5 billion or 86% of the \$25 billion allocated to transit; \$1.9B for So. Cal.
- Face coverings distributions for transit employees and passengers
 - 1st shipment - 4.6 million for transit workers
 - 2nd shipment - 9.6 million for transit patrons

COVID-19 Impacts on Transit

- Transit ridership increasing from low point (down 85% in April; 32 million trips vs. 4.8 million trips per weekday)
- Now down about 63% at 12 million trips
- Eight markets account for more than 70% of transit ridership (NY, LA, SF, Chicago, Washington, Boston, Philadelphia, and Seattle)
- Bus ridership is recovering more quickly than rail, with commuter rail ridership recovering even more slowly
- Ridership in New York and Los Angeles has recovered more quickly than in the other markets

Opening Up America Again

- On April 16, 2020, President Trump unveiled a three-phased approach based on the advice of public health experts
- **Transit is Needed** – In the Nation’s major transit markets, where up to 30% of work trips are typically by transit, it will be difficult to fully reopen the economy without transit, given the large commuter shares in these locations
- **FTA’s Role in Supporting Economic Recovery** – FTA’s memo for the USDOT Economic Recovery Task Force outlines four primary approaches for FTA to support the transit industry’s road to recovery from the COVID-19 public health emergency

FTA's Role in Transit's Road to Recovery

- FTA leadership in the following areas will help further support the transit industry's recovery efforts:
 1. Provide proactive technical assistance to help transit agencies support the phased reopening of local economies;
 2. Facilitate acquisition of personal protective equipment (PPE) and supplies to protect transit employees and passengers;
 3. Continue to provide Federal funding to support transit operations and economic recovery; and
 4. Identify additional administrative and regulatory relief to support transit operations and economic recovery

Regulatory relief to support transit & economic recovery

- Revised Project Management Oversight Rule will raise the total project cost threshold for projects to be considered “major capital projects,” thus permitting FTA to eliminate project management requirements for certain projects

Regulatory relief to support transit & economic recovery

- Due to extraordinary COVID-19 operational challenges, FTA issued a [Notice of Enforcement Discretion](#) **effectively extending the PTASP compliance deadline from July 20, 2020 to December 31, 2020**
- Technical Assistance Center now active and will conduct survey on where assistance is needed to those agencies that have not Certified as yet

COVID-19 Impacts to FTA projects

- Most projects were deemed essential work
- Initially, work stoppages due to 'stay-at-home' orders and miscommunications
- Manufacturing (rail vehicles) and deliveries impacted the same way
- Some work impacted due to positive cases
- International support and SMEs could not travel to the US, leading to delays

COVID-19 Impacts to FTA projects

- Third-party utility work delayed due to restrictions and ‘stay-at-home’ orders
- City permitting delayed
- Some projects encountered bids/proposals submittal delays
- Some project sponsors required ‘shut-down’ plans

COVID-19 Impacts to FTA projects

- Force Majeure and cost/schedule claims
- ‘Change in Law’ claims
- Reduced productivity/efficiency claims
- Increased noise complaints from residents being at home
- Loss of sales tax revenues/local match impact to cash flow
- PMOC travel and monitoring restricted

COVID-19 Opportunities to FTA projects

- Opportunities for acceleration due to business closures and reduced traffic
- Full street closures allowed significant schedule advantages in some cases
- Reduced rail service and increased headways similarly provided schedule advantages
- Contractors with capacity looking for work; favorable bids
- Remote inspections via pictures/drones

CTA Report on 'Future of Transit'

Transit Operations

- Riders wear face coverings
- Protective barriers for operators
- Update ventilation systems and air flow on transit vehicles
- Enhanced cleaning methods
- Service restoration on high ridership corridors
- More frequent service
- Employer-developed strategies to expand and stagger work hours

CTA Report on 'Future of Transit'

Technology

- Digital ticketing and contactless payment systems
- Expand new mobility options

Land Use

- Implement bus-only lanes
- Traffic signal prioritization

CTA Report on 'Future of Transit'

Funding & Policy

- Emergency funding
- New local government funding to support infrastructure near transit
- Expedite transit project delivery
- Increase funding for zero-emissions buses and charging/fueling infrastructure
- Authorize operation of buses on highway shoulders
- Continue to move projects through CIG pipeline; establish capacity for new projects

HEROES Act – COVID-19 Relief

- Passed by House in mid-May
- \$3.0 trillion w/significant funding for infrastructure programs; \$15.75 billion for transit
- Senate looked to see how CARES Act funding was implemented before developing companion bill
- Senate Republicans unveiled \$1 trillion (HEALS Act) on Monday (7/27)
- APTA w/10 transit agencies held virtual press conference to reinforce the need for \$32 billion in relief funding on Tuesday (7/28)

FY2021 Appropriations

- House Appropriations Committee approved all federal agency funding bills; divided into two ‘minibus’ packages for floor debate
- Second 7-bill package includes THUD (USDOT) funding bill; will debate on floor next week
- Senate has not yet introduced any bills
- Congress will likely need to pass a short-term Continuing Resolution to keep Federal Government offices open

FAST ACT Reauthorization

- House passed broad infrastructure bill (Moving America Forward Act) – July 1st
- Includes INVEST Act; 5-year reauthorization for surface transportation programs
- Senate Environment & Public Works Committee passed highway title of FAST Act Reauthorization almost a year ago
- Senate Committees w/jurisdiction such as Banking (transit) have not introduced their parts
- Extension likely needed for up to one year? FY2021?

Surface Transportation Reauthorization

- INVEST Act (HR 2) proposes \$494B to replace FAST Act and addresses 5 priorities:
 - Ensure the Safety of Public Transportation
 - Build Infrastructure More Efficiently
 - Invest in both Rural and Urban America
 - Take Care of What You Own & Improve Accessibility
 - Prepare for the Future

Surface Transportation Reauthorization

- **Transit Investments - \$105B**
 - Increases funding for transit agencies for new routes and more reliable service, encouraging viable public transit options
 - Creates a Mobility Innovation program to permit transit agencies to implement Mobility on Demand services
 - Strengthens Buy America provisions to boost domestic jobs in rail and bus manufacturing
 - Increases investment in zero-emission buses to reduce carbon pollution
 - Streamlines project delivery by reforming CIG program to promote 'shovel ready' projects
 - Provides investments to address SGR backlog, making public transit safer and more reliable



<https://www.transit.dot.gov/cares-act>



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