

49 U.S. Code § 5307. Urbanized area formula grants

U.S. Code Notes

(a) GENERAL AUTHORITY.—

(1) GRANTS.—The Secretary may make grants under this section for—

(A) capital projects;

(B) planning;

(C) job access and reverse commute projects; and

(D) operating costs of equipment and facilities for use in public transportation in an urbanized area with a population of fewer than 200,000 individuals, as determined by the Bureau of the Census.

(2) The Secretary may make grants under this section to finance the operating cost of equipment and facilities for use in public transportation, excluding rail fixed guideway, in an urbanized area with a population of not fewer than 200,000 individuals, as determined by the Bureau of the Census—

(A) for public transportation systems that—

(i) operate 75 or fewer buses in fixed route service or demand response service, excluding ADA complementary paratransit service, during peak service hours, in an amount not to exceed 75 percent of the share of the apportionment which is attributable to such systems within the urbanized area, as measured by vehicle revenue hours; or

(ii) operate a minimum of 76 buses and a maximum of 100 buses in fixed route service or demand response service, excluding ADA complementary paratransit service, during peak

service hours, in an amount not to exceed 50 percent of the share of the apportionment which is attributable to such systems within the urbanized area, as measured by vehicle revenue hours; or

(B) subject to paragraph (3), for public transportation systems that

—

(i) operate 75 or fewer buses in fixed route service or demand response service, excluding ADA complementary paratransit service, during peak service hours, in an amount not to exceed 75 percent of the share of the apportionment allocated to such systems within the urbanized area, as determined by the local planning process and included in the designated recipient's final program of projects prepared under subsection (b); or

(ii) operate a minimum of 76 buses and a maximum of 100 buses in fixed route service or demand response service, excluding ADA complementary paratransit service during peak service hours, in an amount not to exceed 50 percent of the share of the apportionment allocated to such systems within the urbanized area, as determined by the local planning process and included in the designated recipient's final program of projects prepared under subsection (b).

(3) The amount available to a public transportation system under subparagraph (B) of paragraph (2) shall be not more than 10 percent greater than the amount that would otherwise be available to the system under subparagraph (A) of that paragraph.

(b) PROGRAM OF PROJECTS.—Each recipient of a grant shall—

(1) make available to the public information on amounts available to the recipient under this section;

(2) develop, in consultation with interested parties, including private transportation providers, a proposed program of projects for activities to be financed;

(3) publish a proposed program of projects in a way that affected individuals, private transportation providers, and local elected officials have the opportunity to examine the proposed program and submit

comments on the proposed program and the performance of the recipient;

(4) provide an opportunity for a public hearing in which to obtain the views of individuals on the proposed program of projects;

(5) ensure that the proposed program of projects provides for the coordination of public transportation services assisted under section 5336 of this title with transportation services assisted from other United States Government sources;

(6) consider comments and views received, especially those of private transportation providers, in preparing the final program of projects; and

(7) make the final program of projects available to the public.

(c) GRANT RECIPIENT REQUIREMENTS.—A recipient may receive a grant in a fiscal year only if—

(1) the recipient, within the time the Secretary prescribes, submits a final program of projects prepared under subsection (b) of this section and a certification for that fiscal year that the recipient (including a person receiving amounts from a Governor under this section)—

(A) has or will have the legal, financial, and technical capacity to carry out the program, including safety and security aspects of the program;

(B) has or will have satisfactory continuing control over the use of equipment and facilities;

(C) will maintain equipment and facilities in accordance with the recipient's transit asset management plan;

(D) will ensure that, during non-peak hours for transportation using or involving a facility or equipment of a project financed under this section, a fare that is not more than 50 percent of the peak hour fare will be charged for any—

(i) senior;

(ii) individual who, because of illness, injury, age, congenital malfunction, or other incapacity or temporary or permanent disability (including an individual who is a wheelchair user or has semiambulatory capability), cannot use a public transportation

service or a public transportation facility effectively without special facilities, planning, or design; and

(iii) individual presenting a Medicare card issued to that individual under title II or XVIII of the Social Security Act (42 U.S.C. 401 et seq. and 1395 et seq.);

(E) in carrying out a procurement under this section, will comply with sections 5323 and 5325;

(F) has complied with subsection (b) of this section;

(G) has available and will provide the required amounts as provided by subsection (d) of this section;

(H) will comply with sections 5303 and 5304;

(I) has a locally developed process to solicit and consider public comment before raising a fare or carrying out a major reduction of transportation;

(J)

(i) will expend for each fiscal year for public transportation security projects, including increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages), increased camera surveillance of an area in or adjacent to that system, providing an emergency telephone line to contact law enforcement or security personnel in an area in or adjacent to that system, and any other project intended to increase the security and safety of an existing or planned public transportation system, at least 1 percent of the amount the recipient receives for each fiscal year under section 5336 of this title; or

(ii) has decided that the expenditure for security projects is not necessary;

(K) in the case of a recipient for an urbanized area with a population of not fewer than 200,000 individuals, as determined by the Bureau of the Census, will submit an annual report listing projects carried out in the preceding fiscal year under this section for associated transit improvements as defined in section 5302; and

(L) will comply with section 5329(d); and

(2) the Secretary accepts the certification.

(d) GOVERNMENT SHARE OF COSTS.—

(1) CAPITAL PROJECTS.—

A grant for a capital project under this section shall be for 80 percent of the net project cost of the project. The recipient may provide additional local matching amounts.

(2) OPERATING EXPENSES.—

A grant for operating expenses under this section may not exceed 50 percent of the net project cost of the project.

(3) REMAINING COSTS.—Subject to paragraph (4), the remainder of the net project costs shall be provided—

(A) in cash from non-Government sources other than revenues from providing public transportation services;

(B) from revenues from the sale of advertising and concessions;

(C) from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, or new capital;

(D) from amounts appropriated or otherwise made available to a department or agency of the Government (other than the Department of Transportation) that are eligible to be expended for transportation; and

(E) from amounts received under a service agreement with a State or local social service agency or private social service organization.

(4) USE OF CERTAIN FUNDS.—

For purposes of subparagraphs (D) and (E) of paragraph (3), the prohibitions on the use of funds for matching requirements under section 403(a)(5)(C)(vii) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(vii)) shall not apply to Federal or State funds to be used for transportation purposes.

(e) UNDERTAKING PROJECTS IN ADVANCE.—

(1) PAYMENT.—The Secretary may pay the Government share of the net project cost to a State or local governmental authority that carries out any part of a project eligible under subparagraph (A) or (B) of

subsection (a)(1) without the aid of amounts of the Government and according to all applicable procedures and requirements if—

- (A) the recipient applies for the payment;
- (B) the Secretary approves the payment; and
- (C) before carrying out any part of the project, the Secretary approves the plans and specifications for the part in the same way as for other projects under this section.

(2) APPROVAL OF APPLICATION.—The Secretary may approve an application under paragraph (1) of this subsection only if an authorization for this section is in effect for the fiscal year to which the application applies. The Secretary may not approve an application if the payment will be more than—

- (A) the recipient's expected apportionment under section 5336 of this title if the total amount authorized to be appropriated for the fiscal year to carry out this section is appropriated; less
- (B) the maximum amount of the apportionment that may be made available for projects for operating expenses under this section.

(3) FINANCING COSTS.—

(A) In general.—

The cost of carrying out part of a project includes the amount of interest earned and payable on bonds issued by the recipient to the extent proceeds of the bonds are expended in carrying out the part.

(B) Limitation on the amount of interest.—

The amount of interest allowed under this paragraph may not be more than the most favorable financing terms reasonably available for the project at the time of borrowing.

(C) Certification.—

The applicant shall certify, in a manner satisfactory to the Secretary, that the applicant has shown reasonable diligence in seeking the most favorable financing terms.

(f) REVIEWS, AUDITS, AND EVALUATIONS.—

(1) ANNUAL REVIEW.—

(A) In general.—At least annually, the Secretary shall carry out, or require a recipient to have carried out independently, reviews and audits the Secretary considers appropriate to establish whether the recipient has carried out—

(i) the activities proposed under subsection (c) of this section in a timely and effective way and can continue to do so; and

(ii) those activities and its certifications and has used amounts of the Government in the way required by law.

(B) Auditing procedures.—

An audit of the use of amounts of the Government shall comply with the auditing procedures of the Comptroller General.

(2) TRIENNIAL REVIEW.—

At least once every 3 years, the Secretary shall review and evaluate completely the performance of a recipient in carrying out the recipient's program, specifically referring to compliance with statutory and administrative requirements and the extent to which actual program activities are consistent with the activities proposed under subsection (c) of this section and the planning process required under sections 5303, 5304, and 5305 of this title. To the extent practicable, the Secretary shall coordinate such reviews with any related State or local reviews.

(3) ACTIONS RESULTING FROM REVIEW, AUDIT, OR EVALUATION.—

The Secretary may take appropriate action consistent with a review, audit, and evaluation under this subsection, including making an appropriate adjustment in the amount of a grant or withdrawing the grant.

(g) TREATMENT.—

For purposes of this section, the United States Virgin Islands shall be treated as an urbanized area, as defined in section 5302.

(h) PASSENGER FERRY GRANTS.—

(1) IN GENERAL.—

The Secretary may make grants under this subsection to recipients for passenger ferry projects that are eligible for a grant under subsection (a).

(2) GRANT REQUIREMENTS.—

Except as otherwise provided in this subsection, a grant under this subsection shall be subject to the same terms and conditions as a grant under subsection (a).

(3) COMPETITIVE PROCESS.—

The Secretary shall solicit grant applications and make grants for eligible projects on a competitive basis.

(Pub. L. 103-272, § 1(d), July 5, 1994, 108 Stat. 795; Pub. L. 103-429, § 6(7), Oct. 31, 1994, 108 Stat. 4378; Pub. L. 104-287, § 5(11), Oct. 11, 1996, 110 Stat. 3389; Pub. L. 105-178, title III, § 3007(a)(1), (b)-(h), June 9, 1998, 112 Stat. 347, 348; Pub. L. 105-206, title IX, § 9009(e), July 22, 1998, 112 Stat. 855; Pub. L. 107-232, § 1, Oct. 1, 2002, 116 Stat. 1478; Pub. L. 108-88, § 8(n), Sept. 30, 2003, 117 Stat. 1125; Pub. L. 108-202, § 9(n), Feb. 29, 2004, 118 Stat. 488; Pub. L. 108-224, § 7(n), Apr. 30, 2004, 118 Stat. 636; Pub. L. 108-263, § 7(n), June 30, 2004, 118 Stat. 708; Pub. L. 108-280, § 7(n), July 30, 2004, 118 Stat. 885; Pub. L. 108-310, § 8(n), Sept. 30, 2004, 118 Stat. 1158; Pub. L. 109-14, § 7(m), May 31, 2005, 119 Stat. 333; Pub. L. 109-20, § 7(m), July 1, 2005, 119 Stat. 355; Pub. L. 109-35, § 7(m), July 20, 2005, 119 Stat. 389; Pub. L. 109-37, § 7(m), July 22, 2005, 119 Stat. 404; Pub. L. 109-40, § 7(m), July 28, 2005, 119 Stat. 420; Pub. L. 109-59, title III, §§ 3002(b)(4), 3009(a)-(h), Aug. 10, 2005, 119 Stat. 1545, 1568-1571; Pub. L. 110-244, title II, § 201(c), June 6, 2008, 122 Stat. 1609; Pub. L. 111-147, title IV, § 432, Mar. 18, 2010, 124 Stat. 88; Pub. L. 111-322, title II, § 2302, Dec. 22, 2010, 124 Stat. 3526; Pub. L. 112-5, title III, § 302, Mar. 4, 2011, 125 Stat. 18; Pub. L. 112-30, title I, § 132, Sept. 16, 2011, 125 Stat. 350; Pub. L. 112-102, title III, § 302, Mar. 30, 2012, 126 Stat. 275; Pub. L. 112-140, title III, § 302, June 29, 2012, 126 Stat. 396; Pub. L. 112-141, div. B, § 20007, div. G, title III, § 113002, July 6, 2012, 126 Stat. 652, 983; Pub. L. 114-94, div. A, title III, § 3004, Dec. 4, 2015, 129 Stat. 1450; Pub. L. 115-31, div. K, title I, § 165, May 5, 2017, 131 Stat. 749.)

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