

DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION

JUSTIFICATION STATEMENT

National Transit Database 49 U.S.C. Section 5335(a), (b)

OMB Control No. 2132-0008

A. Justification

1. Circumstances that make the collection of information necessary.

The National Transit Database (NTD) system, itself, is a statutory requirement. 49 U.S.C. 5335 requires the Secretary to “maintain a reporting system, using uniform categories to accumulate public transportation financial and operating information using a uniform system of accounts.” Additionally, 49 U.S.C. 5335(b) specifies that the Secretary may award grants under FTA’s Urbanized Area Formula Program or Other Than Urbanized Area Formula Program (Sections 5307 and 5311) “only if the applicant and any person that will receive benefits directly from the grant are subject to the reporting and uniform systems.” The National Transit Database is the reporting system established to meet this requirement. NTD data are used by FTA in assessing applications from transit agencies for discretionary grants and in conducting oversight reviews of grantees to ensure compliance with federal grant requirements. NTD data are used by State and local governments, as well as individual transit agencies, to conduct performance benchmarking among peer transit systems. NTD data are also frequently used by academic researchers seeking to better understand public transportation systems. NTD data are frequently cited in the proceedings of the Transportation Research Board. NTD data are also valuable to the transit agencies that are themselves reporting these data. NTD data are key components of the American Public Transportation Association’s Annual Factbook and data on capital assets in the NTD are frequently used by suppliers of capital equipment and services to the transit industry to guide their investment decisions.

NTD Data are used in statutory formulas. Urbanized Area Formula Grants have been apportioned on the basis of transit data ever since the Surface Transportation Assistance Act of 1982 (STAA) established the first funding formulas for Fiscal Year 1983. Funding formulas have since also been established for the Fixed Guideway Modernization Program. These formulas are specified in 49 U.S.C. 5336 and 49 U.S.C. 5337, and rely upon NTD data.

NTD Data are used to report to Congress on the condition and performance of the nation’s transit systems: 49 U.S.C. 308(e) requires the Secretary to report “on the current performance and conditions of public mass transportation systems.” This report is commonly referred to as the “Conditions and Performance Report.” NTD data are an essential source of this performance data, allowing FTA to report on overall ridership, transit capacity, and transit operating efficiency. Capital asset data collected through the

NTD also underpins the Transit Economic Requirements Model (TERM), which is used to estimate the nation's transit investment needs for the next twenty years, a key component of this report. FTA could not complete this report without NTD data.

The Rural NTD Meets Additional Statutory Requirement. Section 3033 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy to Users (SAFETEA-LU) amended the NTD provisions under 49 U.S.C. 5335 to establish annual reporting requirements for grantees of funds under FTA's Section 5311 "rural" program. Congress also amended 49 U.S.C. 5311(b)(4) to require that each grant recipient receiving Other Than Urbanized Area Formula Program Grants must submit an annual report containing information on total annual revenue, sources of revenue, total annual operating costs, total annual capital costs, fleet size and type and related facilities, revenue vehicle mile, and ridership. The NTD provides the vehicle to support both of these statutory requirements.

Other Statutory Requirements. Finally, increasing transit ridership and reducing transit fatalities are two of FTA's key performance measures under the GPRM Modernization Act. NTD also collects data on the accessibility of transit vehicles to monitor compliance for the Americans with Disabilities Act of 1990. Both of these efforts rely on NTD data.

This information collection also satisfies the organizational excellence goal in the Departmental Strategic Plan.

2. **How, by whom, and for what purpose the information is used and consequences if the information is not collected.**

The NTD collects data through a Java-based online reporting system. Approximately 700 FTA grantees and other transit systems in urbanized areas enter data directly into the online system. Additionally, 54 State and Territorial Departments of Transportation and many federally-recognized Indian Tribes enter data directly into the system on behalf of approximately 1,450 transit systems in rural areas.

Each year, NTD data are used in statutory formulas to apportion over \$6 billion in FTA funds to public transit agencies in urbanized areas. These formulae provide a performance-based framework to the federal investment in public transportation. Urbanized areas that invest in public transportation by providing more vehicle revenue miles of service, adding more fixed-guideway service, or by achieving more passenger miles of ridership at lower cost, are rewarded with additional funds in these formulae. FTA's only source of transit data for these apportionments is the National Transit Database. Without NTD data, FTA would be unable to make the apportionments as Congress intended. If the NTD data collection were discontinued, FTA would be forced to make the apportionments based on outdated data, which would reduce the performance-based incentives of these programs. Urbanized areas that have invested in public transportation since the last data collection would not be rewarded for these investments in the apportionment, and urbanized areas that have cut back their public transportation services would continue to receive the same amount of money based on their previously higher levels of service.

NTD data are used by FTA, Congress, State and local governments, academic institutions, and individual transit agencies to understand the impacts of previous investments in public transportation and for performance benchmarking. For example, when retail gas prices surged in 2005 and in 2008, NTD data provided essential quantitative memberships of the impact on rising transit ridership. NTD data are also the only source of operating costs for various transit modes. All levels of government, from FTA to the state and local level use these data to make public transportation investment decisions, such as on the relative costs of an investment in light rail vs. a fixed-route bus system. These data would not be available from any other comprehensive nationwide source without the NTD.

As presented above, FTA also uses the NTD data to prepare the biennial Conditions and Performance Report. Without NTD data, FTA would not be able to meet this statutory requirement which is used by Congress as a guide when debating legislation to establish authorization levels for FTA's programs. FTA could not prepare these estimates, nor prepare this report, without these nationwide data from the NTD.

The NTD also collects data on fatalities, injuries, and safety incidents related to public transportation. Without these data there would be no national data source for assessing public transportation safety trends, or for comparing the relative safety records of public transportation systems.

At the local level, NTD service and performance data are often used to make funding allocation decisions when multiple transit systems service the same area. State and local governments, as well as individual transit systems, also use NTD information to make performance benchmark comparisons among peer groups of transit systems. Without NTD data, there would be no nationwide source for this sort of benchmarking, which would make it harder for transit managers to drive efficiency improvements in their own systems.

FTA, the U.S. Department of Energy, and the Environmental Protection Agency rely on NTD vehicle fleet and fuel consumption data to evaluate the energy needs and emissions impacts of public transportation. FTA, the Department of Labor, State and local governments, the American Public Transportation Association (APTA), individual transit agencies, and labor unions use NTD data on wages, hours, and employment. This information provides benchmarks for labor negotiations and comparability among peer systems. FTA and APTA use NTD data to review progress towards accessibility and compliance with the Americans with Disabilities Act (ADA) of 1990. The NTD records what percent of the transit vehicle fleet is ADA compliant and records the number of trips and their cost made on complimentary paratransit system under the requirements of the ADA. These data would not be available without the NTD.

3. Describe whether collection of information involves information technology and any consideration of using information technology to reduce the burden.

Data for the NTD is currently collected entirely using information technology. The NTD uses a Java-based online reporting system in which respondents enter data online. These

data are checked for errors through a series of automatic validation checks and then through a visual review by a validation analyst. Information technology allows the automatic validation checks to quickly identify routine data-entry errors, and allows the validation analyst to quickly raise more complex issues with respondents – and to quickly receive respondents. From 1979 to 1994, NTD data were collected through paper forms, and from 1995 to 2001 NTD data were collected through diskettes that were mailed-in. The online reporting system, in place since 2002, has significantly reduced the overall reporting burden from the paper-based and diskette-based processes.

4. **Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2.**

Prior to the establishment of the NTD in 1979, the American Public Transit Association (APTA) collected and published financial and operating statistics based on reports from its members. This data set was limited since data was only collected from APTA members. Additionally, as a private membership organization, APTA had limited capabilities to validate these data, as collected from its own members, and there was no guarantee of public availability for these data. APTA has consistently supported the NTD as providing a valuable data resource for its members and for the general public. The NTD is the only source of nationwide transit data and the only source of transit data collected according to a uniform system of accounts.

5. **If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

FTA continues to seek to reduce the overall burden of NTD reporting while maintaining the value of the NTD as a comprehensive nationwide data source.

In 2010, FTA released new guidelines for respondents to conduct statistical sampling for passenger mile data. This guidance was developed in partnership with Dr. Xuehao Chu at the University of South Florida's (USF) Center for Urban Transportation Research (CUTR). By using modern statistical procedures, this new guidance allows respondents to achieve the same data quality with significantly smaller sample sizes. This has produced a very significant reduction in reporting burden for transit systems of all sizes by requiring fewer data collection samples.

In the Conference Report accompanying SAFETEA-LU, Congress indicated that the data collection requirements for NTD should be “tailored to the smaller size of the typical public transportation system in rural areas, while still providing enough information to judge the condition and performance of our nation’s network of rural public transportation systems” (H.R. Rep. No.109–203, at 943 (2005) (Conf. Rep.)). FTA took particular care in establishing the Rural NTD Module to do so. While a typical transit system reporting to the Urban Module of the NTD may fill out dozens of forms, FTA consolidated the Rural NTD report into a single form. Additionally, Rural NTD data are primarily collected through the

State Department of Transportation, which in many cases already has records of some of the required data, further minimizing the burden on small transit systems.

For small transit systems in urbanized areas reporting to the NTD, FTA introduced a new Small Systems Waiver in 2011. The Small Systems Waiver is open to any transit system that operates 30 or fewer vehicles in maximum service. This waiver exempts these small systems from making monthly ridership report and monthly safety reports, and instead collects this information through a single annual report. Additionally, this waiver exempts small systems from having to report a breakdown of operating expenditures by function and object class, from reporting labor hours and fuel consumption, and from having to report passenger miles. Reporting passenger miles typically requires running a statistical sample, and small transit systems had indicated to us in the past that this was one of the most burdensome aspects of NTD reporting.

6. Describe consequences to federal program or policy activities if collection were not collected or collected less frequently, as well as any technical or legal obstacles to reducing burden.

If data for the NTD were not collected, a number of federal programs would be impacted including the Urbanized Area Formula Program, the Fixed-Guideway Modernization Program, and FTA's Civil Rights Programs. Additionally, updated data would not be available for the formula apportionment, and approximately \$6 billion in funds would be allocated by FTA on the basis of outdated data. This would frustrate the Congressional intent of using the formula programs to provide additional money to those urbanized areas that invest in public transportation. NTD data would also not be available to FTA in reporting to Congress on the conditions and performance of the nation's public transportation systems, nor in estimating the future investment needed to maintain current conditions and performance. Current NTD data also would no longer be available to FTA, State and local governments, researchers, and individual transit agencies for conducting peer group analyses and performance benchmarking activities to ensure that the nation's transit systems are run efficiently and effectively.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with 5 CFR 1320.6.

The NTD data collection is consistent with 5 CFR 1320.6.

8. Describe efforts to consult with persons outside the agency to obtain their views.

A 60-day Federal Register notice was published on November 7, 2011 (pages 68811-68813), soliciting comments prior to submission to the Office of Management and Budget (OMB). No comments were received. A 30-day Federal Register Notice was published on January 24, 2012.

FTA maintains continuous outreach to NTD stakeholders outside the agency in order to obtain their views. In cooperation with the National Transit Institute, FTA typically hosts

10 classroom training sessions and another half-dozen webinars on NTD reporting throughout the year. Each classroom session or webinar provides ample opportunity for stakeholders to ask questions and provide comments on NTD reporting. It was feedback from these sessions, for example, that helped lead to the development of the Small Systems Waiver to reduce reporting burden for systems with 30 or fewer vehicles. Additionally, FTA is an active member of the Transit Management and Performance Committee of the Transportation Research Board at the National Academy of Sciences, which provides another avenue for feedback from the transit industry and the public transportation research community. FTA has also conducted outreach with the American Public Transportation Association, the Association for Commuter Transportation, and the Community Transportation Association of America for the input of these trade associations on the National Transit Database.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payment or gift is made to respondents.

10. Describe any assurance of confidentiality provided by respondents.

No assurances of confidentiality are made to respondents.

11. Additional justification for any questions of a sensitive nature:

No sensitive information is requested or required.

12. Estimates of the hour burden of the collection of information and annualized cost to respondents.

The NTD is comprised of four modules, Rural, Annual, Monthly, and Safety & Security.

NTD Rural Module: State Departments of Transportation (DOT's) and tribal governments participating in the Tribal Transit Program.

Estimated Annual Burden: Currently, FTA receives reports from 54 State and Territorial DOT's, and from 56 Tribal Transit grant recipients. Combined, these States and Tribes report on behalf of approximately 1,450 subrecipients from FTA's Rural (Section 5311) Formula Program. For each subrecipient, the State or Tribe provides identifying information, sources of operating funds, sources of capital funds, vehicle revenue miles, vehicle revenue hours, and unlinked passenger trips. Additionally, a revenue vehicle inventory is reported, as well as total fatalities, injuries, and safety incidents for the year. FTA estimates that it takes approximately 20 hours to report on behalf of each subrecipient, including the time needed for the subrecipient to gather the information and report it to its State DOT, the time for the State DOT to assemble these data and submit them to FTA, and the time to respond to validation questions from FTA about these data.

Estimated Total Annual Burden: 29,000 hours
(1,450 subrecipients x 20 hours = 29,000 hours)

NTD Annual Module – Small Systems Waiver: FTA expects about 300 transit systems with 30 or fewer vehicles to claim a Small Systems Waiver.

Estimated Annual Burden: FTA provides reduced reporting requirements to urbanized area transit systems with 30 or fewer vehicles. These systems are exempt from sampling for passenger miles, and report only summary financial and operating statistics compared to full reporters in urbanized areas, similar to what is required of the rural subrecipients. Additionally, they also report contact information, funding allocation information, a revenue vehicle inventory, the number of stations and maintenance facilities, and total injuries, fatalities, and safety incidents. The reports are also required to be reviewed by an auditor and certified by the CEO. Systems with this waiver are also exempt from the Monthly and Safety & Security Modules. FTA estimates that completing a report for a Small Systems Waiver requires approximately 27 hours, including time to assemble the information and respond to validation questions from FTA about the report.

Estimated Total Annual Urban Burden: 8,100 hours
(300 small systems waivers x 27 hours = 8,100 hours)

NTD Annual Module – Full Reports: FTA expects about 400 transit systems to file complete reports, including 10 reports that represent a consolidated report from numerous small systems.

Estimated Annual Burden: The Full report to the Annual Module is comprehensive. Basic contact information, as well as information on subrecipients and purchased transportation contracts must be provided. Sources of funds for operating expenses and capital expenses must be provided, as well as detailed operating and capital expenses for each mode by function and object class. Key service data collected includes vehicle revenue miles, vehicle revenue hours, unlinked passenger trips, and passenger miles traveled; these must be provided by average weekday, average Saturday, average Sunday, and as an annual total. Most systems that do not inherently collect passenger mile information (such as a ferryboat or commuter rail) must conduct random sampling for passenger mile information. Large systems with more than 100 vehicles are required to sample for passenger miles every year, whereas smaller systems are only required to sample every third year. A comprehensive revenue vehicle inventory is collected, as well as information on fixed guideway mileage, passenger stations, maintenance facilities, fuel consumption, employee hours, and maintenance breakdowns. Reports are also required to be reviewed by an auditor and certified by the system CEO. Approximately 100 large systems are required to sample for passenger miles each year, while approximately 300 small systems are able to sample every three years. FTA estimates that it takes approximately 340 hours per year to sample for passenger miles, which is amortized over three years for small systems. FTA estimates that completing the remaining financial, operating, resource, and capital asset information requires approximately 200 hours per year per transit system, including gathering the information, completing the forms, and responding to validation questions.

Estimated Total Burden: 164,000 hours

(100 systems sampling annually = 100×340 hours = 34,000 hours + 300 systems sampling every 3 years = $300 \times 340/3$ = 40,000 hours + 450 full reporting systems x 200 hours = 90,000 hours / 34,000 hours + 40,000 hours + 90,000 hours = 164,000 hours)

NTD Monthly Module: FTA expects about 450 transit systems to report to the Monthly Module.

Estimated Annual Burden: Each month, vehicle revenue miles, vehicle revenue hours, unlinked passenger trips, and vehicles operated in maximum service are submitted to the Monthly Module. FTA estimates that it takes approximately 4 hours each month for each system to report these data, including collecting and assembling these data for each mode, filling out the form, and responding to any validation questions in regards to these data.

Estimated Total Annual Urban Burden: 21,600 hours
(450 systems x 4 hours per month x 12 months = 21,600 hours)

NTD Safety & Security Module: FTA expects about 450 transit systems to report to the Safety & Security Module.

Estimated Annual Burden: Each system provides an annual report on the total number of security personnel, and an annual CEO certification of the safety data. Each month, systems provide a summary report of all minor fires and all incidents resulting in single-person injuries due to slips, falls, or electrical shocks. Additionally, systems must provide a detailed report within 30 days of any incident involving one or more fatalities, one or more injuries, or total property damage in excess of \$25,000. FTA currently receives about 5,000 major incident reports per year, and estimates that it takes on average about 2 hours to collect data for each incident, enter it into the NTD, and respond to any validation question. Additionally, FTA estimates that each of the 450 full reporters spend on average one hour each month completing the minor incident summary reports.

Estimated Total Annual Urban Burden: 15,400 hours
(450 systems x 1 hour per month x 12 months = 5,400 hours + 5,000 major incident reports x 2 hours = 10,000 hours / 5,400 hours + 10,000 hours = 15,400 hours)

Total Annual Burden for All Modules: 238,100 hours.

Rural Module	= 29,000 hours
Annual Module (8,100 hours + 164,000 hours)	= 172,100 hours
Monthly Module	= 21,600 hours
Safety and Security Module	= <u>15,400 hours</u>
Total Reporting Burden	238,100 hours

If average total labor costs are estimated as \$30 per hour, the total annual cost to respondents is \$7.1 million.

13. Estimate of total annual cost burden to respondents or recordkeepers resulting from the collection of information (not including the cost of any hour burden shown in items 12 and 14.

There is no additional cost beyond that shown items 12 and 14.

14. Estimate of annualized cost to the federal government.

The NTD is supported by a contractor in FY 2012 at a level of approximately \$3.5 million. The NTD is also supported by 4 FTE at \$133,000 each for a total of \$532,000. The NTD also has additional administrative costs of approximately \$100,000 each year for IT equipment and support. Thus, the total cost to the federal government for FY12 for the NTD is \$4.1 million.

15. Explain reasons for any program changes or adjustments reported in Items 13 or 14 of OMB Form 83-1.

FTA has used several initiatives (statistical sampling, streamlined reporting and small systems waivers) to successfully reduce the burden of NTD reporting. However, the overall increase in the number of transit agencies using the NTD caused the burden to increase from 230,700 hours for the previous request to 238,100 hours for this request, representing a net increase of 7,400 burden hours.

16. Plans for tabulation and publication for collections of information whose results will be published.

Data from the NTD are made available electronically at www.ntdprogram.gov. Data are published in various Excel-format data tables and CSV database files. Data from each transit system reporting to the NTD is also compiled into a summary one-page data profile. Other data compilations and analyses of a more ad-hoc nature are also posted on the website.

17. If seeking approval not to display the expiration date for OMB approval, explain the reasons.

There is no reason not to display the expiration date of OMB approval.

18. Explain any exception to the certification statement identified in Item 19 of OMB Form 83-1.

There are no exceptions to certification statement.