

DEPARTMENT OF TRANSPORTATION

FEDERAL TRANSIT ADMINISTRATION

SUPPORTING STATEMENT

**Fixed Guideway Capital Investment Grants – New Starts Section 5309**

OMB Control No. 2132-0561

This is to request the Office of Management and Budget (OMB) to revise the current approval of the OMB Control Number 2132-0561, “Fixed Guideway Capital Investment Grants (CIG) - New Starts Section 5309” information collection request (ICR), which is currently due to expire on November 30, 2016, and extend it for three years. Projects currently eligible for funding under this program include; smaller scaled corridor-based transit capital projects known as “Small Starts” and new fixed guideway transit systems and extensions to existing fixed guideway systems known as “New Starts”. The Moving Ahead for Progress Act in the 21<sup>st</sup> Century (MAP-21) made significant changes to the CIG program; including the creation of an entirely new category of eligible projects called Core Capacity. The revision to this ICR is a result of this third category of projects being added to the CIG program and changes to the steps in the CIG process. The changes being proposed in this information collection is associated with the issuance of Final Interim Policy Guidance published in August 2015.

**1. Explain the circumstances that make information collection necessary.**

The Federal Transit Administration (FTA) administers the discretionary Capital Investment Grant (CIG) grant program under 49 U.S.C. Section 5309 that provides funding for major transit capital investments including rapid rail, light rail, commuter rail, bus rapid transit, and ferries. There are three types of eligible projects outlined in law: smaller scaled corridor-based transit capital projects known as Small Starts; new fixed guideway transit systems and extensions to existing fixed guideway systems known as New Starts; and projects to improve capacity at least 10 percent in existing fixed guideway corridors that are at capacity today or will be in five years known as Core Capacity. The criteria on which FTA is to evaluate and rate these projects are found in 49 U.S.C. Section 5309(d), (e), and (h). FTA is required by law to evaluate and rate proposed CIG projects as “high,” “medium-high,” “medium,” “medium-low,” or “low” and issue regulations and policy guidance on the manner in which proposed projects will be evaluated and rated.

The Moving Ahead for Progress Act in the 21<sup>st</sup> Century (MAP-21) made significant changes to the CIG program. While MAP-21 continued the New and Small Starts categories of eligible projects, it also created an entirely new category of eligible projects under the program called Core Capacity. MAP-21 also reduced the number of steps in the CIG process projects must follow to receive funds, created a new evaluation criterion FTA must use to evaluate and rate projects, and specified that “warrants” or ways projects can qualify for automatic ratings should be developed and used to the extent practicable.

In January 2013, the Federal Transit Administration (FTA) issued a final rule to amend the regulation (Part 611 of Title 49 of the Code of Federal Regulations) describing the manner in which

candidate New and Small Starts projects will be evaluated and rated to reflect the changes made by MAP-21. The final rule was the subject of an Advance Notice of Proposed Rulemaking (ANPRM) issued on June 3, 2010. Following the ANPRM, FTA issued a Notice of Proposed Rulemaking (NPRM) on January 25, 2012. On July 8, 2012, President Obama signed MAP-21 into law, which made changes to the New Starts and Small Starts programs. However, because significant portions of the project evaluation and rating requirements for New and Small Starts projects were not changed by MAP-21, FTA proceeded with the final rule since the NPRM was generally consistent with the new law.

The final rule covers the New and Small Starts evaluation criteria and rating process defined in MAP-21 and the before and after study requirements for New Starts projects. It does not cover new items included in MAP-21 that had not yet been the subject of a rulemaking process such as core capacity, getting into and through the steps in the CIG process, the congestion relief evaluation criterion, and warrants. While the final rule includes the names of the steps in the New and Small Starts process as defined in MAP-21, further detail on how those steps will be implemented was left for future interim policy guidance and rulemaking.

The changes being proposed to the information collection are based on final policy guidance FTA published for public comment on August 6, 2015, outlining FTA's ideas for implementing core capacity, getting into and through the steps CIG process, the congestion relief evaluation criterion, and warrants. FTA is required under 49 U.S.C. Section 5309(g)(5) to publish policy guidance no less frequently than every two years. FTA last published policy guidance in August 2013. After receiving and reviewing the comments on the proposed interim policy guidance published on April 8, 2015 (FR Vol. 80, No. 67 pgs. 18796-18797), FTA published a Final Interim Policy Guidance Capital Investment Grant Program on August 6, 2015. No comments were received from the Final Interim Guidance.

FTA needs to have accurate information on the status and projected benefits of proposed CIG projects on which to base its decisions regarding funding recommendations in the President's budget. As a discretionary program, the CIG program requires FTA to identify proposed projects that are worthy of federal investment, and are ready to proceed with project development, engineering, and construction activities. With a few exceptions, most of the information required by FTA from project sponsors is developed as part of the regular planning process used to select a locally preferred alternative and fulfill the National Environmental Policy Act (NEPA) requirements. However, some information required by FTA may be beyond the scope of ordinary planning activities undertaken by project sponsors. This has been taken into consideration in the burden hour calculations.

## **2. Indicate how, by whom, and for what purpose the information is to be used.**

Projects sponsors seeking funding under the "Fixed Guideway Capital Investment Grants (CIG) - New Starts Section 5309" program are State and local government agencies, including transit agencies across the Nation. There are typically 155 annual respondents that provide information to FTA in relation to the CIG program. This can include those seeking entry into the program or those

systems that have already been approved for funding in the program but have to supply information as they advance through the various phases of the CIG process.

The transit systems submit project information electronically to FTA for new and expanded rail, bus rapid transit, and ferry systems that reflect local priorities to improve transportation options in key corridors. FTA uses the information they provide to evaluate proposed CIG projects as required by law. FTA evaluates projects in order to: (1) decide whether proposed projects may advance into the various phases of the CIG process; (2) assign ratings to proposed projects for the *Annual Report on Funding Recommendations*; and (3) develop funding recommendations for the administration's annual budget request.

**3. Describe to what extent the collection of information involves the use of automated or other technological data collection techniques, and any consideration of using information technology to reduce burden.**

FTA has tried to minimize the burden of the collection of information, and requests that project sponsors submit project evaluation data by electronic means. FTA has developed standard format templates for project sponsors to complete that automatically populate data used in more than one form. FTA then utilizes spreadsheet models to evaluate and rate projects based on the information submitted. In addition, FTA-developed a simplified national model to estimate project trips based on simple inputs including census data and project characteristics rather than more detailed and complex regional travel forecasting model that project sponsors may choose to use or not at their option.

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

Where and when possible, FTA makes use of information already collected by CIG project sponsors as part of the planning process. In determining how best to implement the new Core Capacity provisions of MAP-21, FTA specifically developed proposed measures for the evaluation criterion that are based on readily available, easily verifiable data in order to reduce the burden on both project sponsors and FTA. Warrants are also proposed that would eliminate the need for project sponsors to provide extensive data to FTA if the proposed CIG project can meet certain parameters.

However, as each proposed CIG project develops at a different pace, FTA has a duty to base its funding decisions on the most recent information available. Project sponsors often find it necessary to develop updated information specifically for purposes of the CIG program. This is particularly true for the *Annual Report on Funding Recommendations* [http://www.fta.dot.gov/12304\\_16263.html](http://www.fta.dot.gov/12304_16263.html), which is a supporting document to the President's annual budget request to Congress. In order to reduce the reporting burden on project sponsors, FTA instituted a policy that Annual Report submissions are only required of projects that are seeking a funding recommendation or have changed significantly in cost or scope from the last evaluation.

5. **Describe methods used to minimize burden on small businesses or other small entities.**

The burden applies only to public entities seeking CIG discretionary funding under Section 5309, most of which are not small entities. Overall burden is mitigated by rendering the collection and analysis of data required for GPRA purposes as eligible for funding as part of the project.

6. **Describe the consequences to Federal program or other policy activities if collection were conducted less frequently.**

Data must be submitted for CIG projects seeking entry into the program and when they seek to move to the next phase in the process. For Small Starts, this includes when the project seeks to enter project development and when it seeks to obtain a construction grant agreement. For New Starts and Core Capacity projects, this includes when the project seeks to enter project development, when it seeks to enter engineering, and when it seeks a construction grant agreement.

Data is also generally collected annually for purposes of preparing the *Annual Report on Funding Recommendations*, a companion document to the President's annual budget request to Congress. However, project sponsors are not required to submit data in a given year for the *Annual Report* if the project has not experienced any significant changes in cost or scope since the last evaluation and the project is not seeking a funding recommendation in that year's budget.

7. **Explain any special circumstances that require the collection to be conducted in a manner inconsistent with 5 CFR 1320.6.**

The information collected is consistent with 5 CFR 1320.6.

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

Continuing contact between transit operators, State and local decision makers, and FTA staff provide opportunity for project sponsors to suggest changes to the process FTA uses to evaluate and rate projects seeking CIG funding. In its ongoing outreach efforts, FTA conducts a series of CIG workshops three to five times each year around the country to bring together members of the transit industry to discuss issues affecting the CIG program. FTA makes presentations on the project development and evaluation and rating processes and solicits the views of others outside FTA at these events. FTA also routinely participates at policy and planning committee meetings of the key transit industry group, the American Public Transportation Association, where it receives feedback on the process and how it is working.

While FTA has taken measures to lessen the burden of the statutory CIG project evaluation and rating process, it is clear that development of some of the data required has resulted in additional work on the part of project sponsors as well as FTA. FTA has consulted (and will continue to do so) with the transit industry and other stakeholders when developing supplemental guidance on the CIG project evaluation process to further lessen the burden of the statutory requirements.

**9. Explain any decision to provide any payment of craft to respondents.**

No payment or gift is made to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in the statute, regulation or agency policy.**

In general, there is no assurance of confidentiality given regarding submission of the information collected. The data is used for determining eligibility for receipt of CIG grant funds and compliance with statutory requirements. All information collected is certified to comply with the Freedom of Information Act, the Privacy Act of 1974, and OMB Circular A-108.

**11. Provide any additional information for questions of a sensitive nature.**

None of the information required is of a personal or sensitive nature.

**12. Provide an estimate of the hour burden of the collection of information and annualized cost to respondents.**

Total Annual Respondents: 155  
Total Annual Burden Hours: 68,840  
Total Annual Burden Cost: \$5,163,000

There are typically 155 annual respondents that provide information to FTA in relation to the CIG program. The table below indicates the hours and costs estimated to be incurred by sponsors of proposed CIG projects for each task. The estimates for total number of annual submissions are based on projected annual workload. The estimated average number of hours per task is based on information shared by a sample of project sponsors. Estimated hourly costs are based on information informally shared by CIG project sponsors and the professional judgment of FTA staff.

The estimated cost to project sponsors assumes that sponsors would not otherwise be undertaking data collection associated with either the project or for the transit system in general. The estimated net cost to project sponsors would be lower if it assumed that the routine data-collection programs at most transit agencies would obtain some of the required data regardless of the effects of this guidance.

The number of annual occurrences differs from previous burden hour estimates because it reflects the streamlined steps in the process included in MAP-21, the growing demand FTA is seeing for the CIG program, and the policies included in the final rule and proposed interim policy guidance meant to streamline the process and reduce the reporting burden.

| <b>Total Project Sponsor Cost and Hours</b>     |                             |                                  |                    |                     |
|---|-----------------------------|----------------------------------|--------------------|---------------------|
| <b>Task</b>                                     | <b># Annual Occurrences</b> | <b>Aver Hours per Occurrence</b> | <b>Total Hours</b> | <b>\$ Total</b>     |
| <b>Data Submission, Evaluation, and Ratings</b> |                             |                                  |                    |                     |
| <u>NEW STARTS</u>                               |                             |                                  |                    |                     |
| A) Project Development Request                  | 10                          | 8                                | 80                 | \$6,000             |
| B) Engineering Request                          | 5                           | 120                              | 600                | \$45,000            |
| C) Annual Report                                | 10                          | 40                               | 400                | \$30,000            |
| D) FFGA Approval                                | 5                           | 50                               | 250                | \$18,750            |
| <b>Subtotal</b>                                 |                             |                                  | <b>1,330</b>       | <b>\$99,750</b>     |
| <u>SMALL STARTS</u>                             |                             |                                  |                    |                     |
| A) Project Development Request                  | 20                          | 8                                | 160                | \$12,000            |
| B) Annual Report                                | 15                          | 80                               | 1,200              | \$90,000            |
| C) SSGA Approval                                | 10                          | 40                               | 400                | \$30,000            |
| <b>Subtotal</b>                                 |                             |                                  | <b>1,760</b>       | <b>\$132,000</b>    |
| <u>CORE CAPACITY</u>                            |                             |                                  |                    |                     |
| A) Project Development Request                  | 10                          | 10                               | 100                | \$7,500             |
| B) Engineering Request                          | 5                           | 120                              | 600                | \$45,000            |
| C) Annual Report                                | 10                          | 40                               | 400                | \$30,000            |
| D) FFGA Approval                                | 5                           | 50                               | 250                | \$18,750            |
| <b>Subtotal</b>                                 |                             |                                  | <b>1,350</b>       | <b>\$101,250</b>    |
| <b>Data Sub, Eval, and Ratings Total</b>        |                             |                                  | <b>4,440</b>       | <b>\$ 333,000</b>   |
| <b>Before and After Data Collection</b>         |                             |                                  |                    |                     |
| <u>NEW STARTS</u>                               |                             |                                  |                    |                     |
| A) Data Collection Plan                         | 5                           | 40                               | 200                | \$15,000            |
| B) Before Data Collection                       | 5                           | 3000                             | 15000              | \$1,125,000         |
| C) Documentation of Forecasts                   | 5                           | 160                              | 800                | \$60,000            |
| D) After Data Collection                        | 5                           | 3000                             | 15000              | \$1,125,000         |
| E) Analysis and Reporting                       | 5                           | 240                              | 1200               | \$90,000            |
| <u>CORE CAPACITY</u>                            |                             |                                  |                    |                     |
| A) Data Collection Plan                         | 5                           | 40                               | 200                | \$15,000            |
| B) Before Data Collection                       | 5                           | 3000                             | 15000              | \$1,125,000         |
| C) Documentation of Forecasts                   | 5                           | 160                              | 800                | \$60,000            |
| D) After Data Collection                        | 5                           | 3000                             | 15000              | \$1,125,000         |
| E) Analysis and Reporting                       | 5                           | 240                              | 1200               | \$90,000            |
| <b>Before and After Total</b>                   |                             |                                  | <b>64,400</b>      | <b>\$ 4,830,000</b> |
| <b>TOTAL</b>                                    |                             |                                  | <b>68,840</b>      | <b>\$ 5,163,000</b> |

**13. Provide estimate of annualized cost to respondents or record keepers resulting from the collection of information (not including the cost of any hour burden shown in Items 12 and 14).**

There are no additional costs beyond what is shown in Items 12 and 14.

**14. Provide estimates of annualized cost to the federal government.**

Total annualized cost to the Federal Government: \$2,563,750 9

The table below indicates the annualized cost to FTA for the data collection and analysis associated with the final rule and proposed interim policy guidance. FTA is implementing several streamlining measures that will reduce the burden to project sponsors and FTA.

The first column indicates the total FTA staff cost. The average annual FTA staff hours estimated for each assessment used for rating the project justification and financial evaluation criteria are based on professional judgment. Average annual FTA staff hours estimated for work related to the *Annual Report on Funding Recommendations* are based on professional judgment reflecting most current experience.

The second column indicates the total cost to FTA for data collection and analysis performed under contract with financial and land use consultants, in support of the evaluation and rating process in the final rule.

The average cost for each finance and land use analysis per occurrence is an estimate of the average cost; the cost per occurrence may be lower or higher depending on the level of analysis needed. Estimated annual costs per financial and land use assessments are based on current experience.

The table listed below sums the staff and contractor costs incurred by FTA, resulting in total costs to FTA.

| <b>FTA Cost</b>                                 |                       |                            |                       |
|---|-----------------------|----------------------------|-----------------------|
| <b>Task</b>                                     | <b>FTA Staff Cost</b> | <b>FTA Contractor Cost</b> | <b>Total FTA Cost</b> |
| <b>Data Submission, Evaluation, and Ratings</b> |                       |                            |                       |
| <u>NEW STARTS</u>                               |                       |                            |                       |
| A) PD Request                                   | \$6,000               | \$0                        | \$6,000               |
| B) Engineering Request                          | \$15,000              | \$132,500                  | \$147,500             |
| C) Annual Report                                | \$30,000              | \$265,000                  | \$295,000             |
| D) FFGA Approval                                | \$12,000              | \$600,000                  | \$612,000             |
| <b>Subtotal</b>                                 | <b>\$63,000</b>       | <b>\$997,500</b>           | <b>\$1,060,500</b>    |
| <u>SMALL STARTS</u>                             |                       |                            |                       |
| A) Project Development                          | \$12,000              | \$0                        | \$12,000              |
| B) Annual Report                                | \$24,750              | \$187,500                  | \$212,250             |
| C) SSGA Approval                                | \$15,000              | \$360,000                  | \$375,000             |
| <b>Subtotal</b>                                 | <b>\$51,750</b>       | <b>\$547,500</b>           | <b>\$599,250</b>      |
| <u>CORE CAPACITY</u>                            |                       |                            |                       |
| A) PD Request                                   | \$9,000               | \$0                        | \$9,000               |
| B) Engineering Request                          | \$10,500              | \$70,000                   | \$80,500              |
| C) Annual Report                                | \$21,000              | \$157,500                  | \$178,500             |
| D) FFGA Approval                                | \$12,000              | \$480,000                  | \$492,000             |
| <b>Subtotal</b>                                 | <b>\$52,500</b>       | <b>\$707,500</b>           | <b>\$760,000</b>      |
| <b>Data Sub, Eval, and Ratings Total</b>        |                       |                            | <b>\$ 2,419,750</b>   |
| <b>Before and After Data Collection</b>         |                       |                            |                       |
| <u>NEW STARTS</u>                               |                       |                            |                       |
| A) Data Collection Plan                         | \$6,000               | \$0                        | \$6,000               |
| B) Before Data Collection                       | \$15,000              | \$0                        | \$15,000              |
| C) Documentation of Forecasts                   | \$6,000               | \$0                        | \$6,000               |
| D) After Data Collection                        | \$15,000              | \$0                        | \$15,000              |
| E) Analysis and Reporting                       | \$30,000              | \$0                        | \$30,000              |
| <u>CORE CAPACITY</u>                            |                       |                            |                       |
| A) Data Collection Plan                         | \$6,000               | \$0                        | \$6,000               |
| B) Before Data Collection                       | \$15,000              | \$0                        | \$15,000              |
| C) Documentation of Forecasts                   | \$6,000               | \$0                        | \$6,000               |
| D) After Data Collection                        | \$15,000              | \$0                        | \$15,000              |
| E) Analysis and Reporting                       | \$30,000              | \$0                        | \$30,000              |
| <b>Before and After Total</b>                   |                       |                            | <b>\$ 144,000</b>     |
| <b>TOTAL</b>                                    |                       |                            | <b>\$ 2,563,750</b>   |



**15. Explain the reasons for any program changes or adjustments reported on the OMB Form 83-I.**

The number of burden hours estimated differs from the current approval to reflect the changes made in the proposed interim policy guidance including the new core capacity project eligibility and the large increase overall in the number of projects seeking CIG funding as experienced over the past two years since the previous collection was prepared.

Under the current approved information collection, there is a total of 71 respondents, 31,420 estimated annual burden hours and annual costs totaling \$2,356,500. These respondents included only New and Small Starts project sponsors.

The proposed interim policy guidance includes the proposed implementation of core capacity, a newly proposed congestion relief measure, and details on the proposed requirements for getting into and through the steps in the CIG process. These items have increased the burden hour calculations. Additionally, the fast-paced growth in the number of projects seeking CIG funding over the past two years is now included in the burden hour calculation. Based on these changes, FTA estimates burden hours would be increased to approximately 444 hours for each of the new estimated 155 respondents totaling 68,840 hours and annual costs totaling \$5,163,000, an increase of \$2,806,500 from the current approval.

Additional information will be required of project sponsors due to the addition of the new congestion relief measure and the core capacity program. However, FTA is proposing warrants, or ways that proposed projects can qualify for automatic ratings without having to submit detailed data to FTA. These and other information collection requirement trade-offs were an express objective in developing the final rule and accompanying guidance.

The number of burden hours are partially proportionate to the scale of the project and the determination by the project sponsor whether to choose to develop detailed forecasts of project benefits (instead of the simplified default methods FTA allows). Such increased burdens are at the sponsor's discretion, rather than a FTA requirement.

**16. Outline plans for tabulations and publication and address any complex analytical techniques that will be used.**

The project evaluation data will continue to be published as part of the *Annual Report on Funding Recommendations* (49 USC Section 5309(o) (1)). Data collected for GPRA purposes will be used for GPRA reporting. Data from both activities may also be used for a variety of purposes that support the agency's mission.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

Not applicable.

**18. Explain each exception to the certification for Paperwork Reduction Act submissions of Form 83-I.**

Not applicable.