

DEPARTMENT OF TRANSPORTATION

FEDERAL TRANSIT ADMINISTRATION

JUSTIFICATION STATEMENT

**49 U.S.C. SECTION 5317-NEW FREEDOM PROGRAM
(OMB# 2132-0565)**

This justification statement is associated with a request for revision of a currently approved information collection. The change in this collection reflects a reduction in burden on the public and federal government due to the New Freedom Program being repealed by Congress under the Moving Ahead for Progress in the 21st Century Act (MAP-21). As a result, the application stage and all information collected as part of this process in the program have been eliminated. In addition, as older grants are expended and closed, there is fewer project management reports submitted.

A. Justification

1. CIRCUMSTANCES THAT MAKE THE COLLECTION NECESSARY.

The Federal Transit Administration (FTA) provides financial assistance to States, local governments, private nonprofit organizations and public transportation authorities through 49 U.S.C. Section 5317-New Freedom Program. The purpose of the New Freedom Program was to make grants available to assist states and designated recipients to reduce barriers to transportation services and expand the transportation mobility options available to people with disabilities beyond the requirements of the Americans with Disabilities Act (ADA) of 1990.

The provisions of 49 U.S.C. Section 5317, 49 C.F.R. Part 18, the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (the Common Grant Rule), and prudent administration of federal grant funds dictate that grantor agencies review applications for federal assistance to assure eligibility and other criteria, as appropriate, and monitor approved projects to ensure timely expenditure of federal funds by grant recipients. Information collected under this program is structured to comply with federal mandates.

On October 1, 2013, the New Freedom program was repealed by Congress under the Moving Ahead for Progress in the 21st Century Act (MAP-21). Originally, the program had two reporting requirements by grant recipients; the application stage and the project management stage. Since being repealed, there will be no new applications under this program, thus totally eliminating the application stage. However, to meet federal program oversight responsibilities, FTA must continue to collect information under the program management stage until the period of availability expires; the funds are fully expended; the funds are rescinded by Congress; or the funds are otherwise reallocated.

Grant Application Stage

As a result of MAP-21, the New Freedom program has been repealed. The last year of federal funding was Fiscal Year 2012, and any unobligated funding from that year lapsed at the end of Fiscal Year 2015 (September 30, 2015). Therefore, there will be no new applications under this program and the application stage is eliminated.

Project Management Stage

The reporting requirements under this stage are necessary to ensure the proper and timely expenditure of federal funds within the scope of the approved project. The requirements comply with the Common Grant Rule and are contained in FTA Circular 5010.1D, "Grant Management Requirements" and may also be included in sections of the grant contract. These reporting requirements are:

- a. Milestone/Progress Reports (QPR). These narrative reports are required quarterly for areas over 200,000 populations and annually for areas less than 200,000. They define problems and milestone achievements are reported to FTA. The reports greatly reduce the need for on-site visits by staff.
- b. Cost Allocation Plan. These narrative reports are required of state or local agencies desiring reimbursement for indirect administrative expenses incurred in connection with a capital grant. The Cost Allocation Plan is necessary to properly determine those indirect costs attributable to capital grants.
- c. Federal Financial Reports (FFRs). These quantitative reports are required quarterly for areas over 200,000 and annually for areas under 200,000. They provide a financial picture of project activity. The reports include information regarding obligations, payments, receipts, and other pertinent financial data required to ensure proper expenditure of federal funds.
- d. Reports of Significant Events. Unforeseen events that impact the schedule, cost, capacity, usefulness or purpose of the project should be reported to FTA immediately after detection and then reflected in the next quarterly progress report.
- e. Pre-award and Post-delivery Rolling Stock Audits. The audits are required to be performed by FTA grantees purchasing rolling stock. These audits are intended to ensure compliance with various requirements, such as Buy America, and to detect any vehicle defects while the vehicle is under warranty. Grantees certify compliance with the audit requirements under the implementing rule that was published in September 1991.

2. HOW, BY WHOM, AND FOR WHAT PURPOSE THE INFORMATION IS TO BE USED AND CONSEQUENCES IF THE INFORMATION IS NOT COLLECTED.

The reports are submitted to the appropriate program office, usually within an FTA regional office, to determine the applicant's eligibility for funding and subsequently, the grantee's progress in implementing and completing project activities. The information submitted ensures FTA's compliance with applicable federal laws and the Common Grant Rule. In addition, without these reports, significant resources and manpower would be necessary to conduct on-site inspections.

3. CONSIDERATION OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN AND ANY TECHNICAL OR LEGAL OBSTACLES TO REDUCING BURDEN.

FTA's electronic grant making and management system is a paperless, electronic grant application, review, approval, acceptance and management process. All grants and periodic reports are submitted electronically. Grantees also use the electronic system for signature of annual certifications and assurances.

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.

The reports are project specific and the information is not available elsewhere. There is no duplication.

5. METHODS USED TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES.

The information collected does not involve small business.

6. CONSEQUENCES TO FEDERAL PROGRAMS OR POLICY ACTIVITIES IF INFORMATION WAS NOT COLLECTED OR COLLECTED LESS FREQUENTLY, AS WELL AS ANY TECHNICAL OR LEGAL OBSTACLES TO REDUCING THE BURDEN.

If these and other reports were required less frequently, additional site visits by agency staff would be required to ensure compliance with program objectives.

7. SPECIAL CIRCUMSTANCES THAT REQUIRE THE COLLECTION TO BE CONDUCTED IN A MANNER INCONSISTENT WITH 5 CFR 1320.6.

The information collected is consistent with the guidelines in 5 CFR 1320.6.

8. EFFORTS TO CONSULT WITH PERSONS OUTSIDE THE AGENCY TO OBTAIN THEIR VIEWS.

FTA has worked with grantees on reporting requirements in shaping its reporting system and offers an opportunity for all grantees to comment on its methodologies.

A 60-day Federal Register notice was published on April 5, 2016, Vol. 81 No.65 (page 19710), soliciting comments prior to submission to OMB. No comments were received from that notice. The 30-day Federal Register notice was published on August 2, 2016 Vol. 81 No. 148 (pages 50787-50788).

9. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS, OTHER THAN REMUNERATION OF CONTRACTORS OR GRANTEES.

No payment is made to respondents.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED BY RESPONDENTS.

There is no assurance of confidentiality regarding these submissions.

11. ADDITIONAL JUSTIFICATION FOR QUESTIONS OF A SENSITIVE NATURE.

None of the information is of a sensitive nature.

12. ESTIMATE OF THE HOUR BURDEN OF THE COLLECTION AND ANNUALIZED COST TO RESPONDENTS.

Estimated Annual Number of Respondents: 181
Estimated Annual Number of Responses: 366
Estimated Total Annual Burden Hours: 14,640
Estimated Total Cost: \$439,200

<u>Requirements</u>	<u># of Annual Submissions</u>	<u>Burden hours per Submission</u>	<u>Total Burden hours</u>
Project Management Stage <i>(includes all of the following)</i>	366	40	14,640
Progress Report			
Financial Status Report			
Cost Allocation Plans			
Total			
Grand Total			14,640 burden hours

All burden hour estimates are based on a comprehensive review of the requirements associated with the New Freedom Program, discussions with appropriate headquarters and regional staff, and discussions with and informal surveys of respondents.

The annual respondents used to calculate total annual burden includes the number of annual applicants who must submit quarterly and annual reports and the active grants from previous years.

Estimate of the cost to respondents:

Project Management Stage:

Staff time devoted to the preparation of project management reports takes approximately 40 hours at an average salary of \$30 per hour or \$1,200 per report. There are 366 reports annually; therefore, the cost to the respondents is estimated to be \$439,200 (366 reports x \$1,200 per report = \$439,200).

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 are no additional costs beyond that shown in items 12 and 14.

14. ESTIMATE OF THE ANNUALIZED COST TO THE FEDERAL GOVERNMENT.

The cost is calculated as follows:

Project Management Stage:

Individuals managing projects throughout FTA vary from GS-9 to GS-14; however, in looking at the averages it can take a GS-13 (average salary, \$40 per hour) about ½ hour per report for review. There are approximately 366 projects requiring reports annually. The cost to the federal government is \$7,320 (1/2 hr. x 366 submissions = 183 hours x \$40 = \$7,320).

15. EXPLAIN REASONS FOR CHANGES IN BURDEN, INCLUDING THE NEED FOR ANY INCREASES.

The total burden for this request is 14,640 hours, a reduction of 115,039 hours from the previous request of 129,679 hours. The reduction in burden is due to the repeal of this program and the reduction in grants in the project management stage.

16. PLANS FOR TABULATION AND PUBLICATION FOR COLLECTIONS OF INFORMATION WHOSE RESULTS WILL BE PUBLISHED.

FTA does not plan to publish the results of the information collected for statistical use.

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 EXCEPTIONS TO THE CERTIFICATION STATEMENT IDENTIFIED IN ITEM 19 OF OMB FORM 83-I.

There are no exceptions.