

DEPARTMENT OF TRANSPORTATION  
FEDERAL TRANSIT ADMINISTRATION

SUPPORTING STATEMENT  
**49 U.S.C. SECTIONS 5337**  
**STATE OF GOOD REPAIR PROGRAM**  
**(OMB# 2132-0577)**

**ABSTRACT**

This supporting statement is associated with a request for an extension of a currently approved information collection. The only change associated with this request is an increase in respondents' due to new applications received and an increase in burden hours proportionally. There are no programmatic or statutory changes to the program with the passing of the Fixing America's Surface Transportation Act (FAST).

1. CIRCUMSTANCES THAT MAKE THE COLLECTION NECESSARY.

49 U.S.C. Section 5337, State of Good Repair Grants Program was a new formula-based program first authorized under MAP-21 and was re-authorized under the Fixing America's Surface Transportation Act (FAST). This program provides financial assistance to public transit agencies that operate rail fixed-guideway and high-intensity motorbus systems for the maintenance, replacement, and rehabilitation of capital assets, along with the development and implementation of transit asset management plans. These funds reflect a commitment to ensuring that public transit operates safely, efficiently, reliably, and sustainably so that communities can offer balanced transportation choices that help to improve mobility, reduce congestion, and encourage economic development. Eligible recipients include state and local government authorities in urbanized areas with intensity fixed guideway systems and/or intensity motorbus systems operating at least seven years. Projects are funded at 80 percent federal with a 20 percent local match requirement by statute. The Federal Transit Administration (FTA) will apportion funds to designated recipients.

The provision of 49 U.S.C. Sections 5337, State of Good Repair Grants Program, 49 CFR Part 18, 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 of the grantee and the project activities and other criteria, as appropriate, and monitor approved projects to ensure timely expenditure of federal funds by grant recipients.

The information collected under this program is structured to comply with federal mandates. The reporting requirements are submitted by recipients in two stages, the application stage and project management stage. The information submitted ensures FTA's compliance with applicable federal laws.

## Application Stage

FTA must determine the applicant's eligibility to receive program funds. FTA must know: a) who the applicant is; b) for what purpose the funds are requested; and c) the amount of federal funds requested or needed. FTA has issued FTA Circular 5300.1 detailing the application instructions. Applicants must submit:

- a. Authorizing Resolution. As required by 49 U.S.C. 1602 (a)(2)(A), this information is necessary to assure FTA that the individuals involved represent the organization seeking federal assistance and are empowered to enter into contracts on the organization's behalf.
- b. Opinion of Counsel. Also required by 49 U.S.C.1602(a)(2)(A) to ensure that the applicant has the legal capacity to carry out the project and that there is no outstanding litigation that would encumber the federal government upon project approval.

In addition, each application must include:

- c. Project Budget. FTA must know how much federal financial assistance is required, the amount and sources of local funds available for this project, and the specific elements and associated costs for each.
- d. Project Description. State of Good Repair Grants are limited to specific categories of transit projects. The project description enables FTA to determine whether funding of the proposed project is allowable under federal transit law and the Common Grant Rule.
- e. Project Milestone Schedule. This document consists of milestone dates for major activities and an overall project completion date. Milestone dates are provided for such events as bid advertisement, bid award, and contract completion.
- f. List of Labor Unions. This document is used by the Department of Labor in making the certification of labor protective arrangements required for grants funded under Sections 5337 in statutory language at Title 49 U.S.C. at Section 5333(b).
- g. Environmental Exhibit. This documentation includes a proposed classification of each activity line item in accordance with the Federal Highway Administration (FHWA)/FTA Environmental Impact and Related Procedures, as required by 23 C.F.R. Parts 771.115 and 771.117. Many projects meet the criteria for a categorical exclusion. For each of these projects, proposed classifications and supporting documentation must be submitted. For those projects that do not meet the criteria for a categorical exclusion, an Environmental Assessment or Environmental Impact Statement may need to be submitted as required by the National Environmental Policy Act.

- h. Transit Asset Management Plan. Grantees must develop a transit asset management plan that includes capital asset inventories and condition assessments, decision support tools, and investment prioritization. Grantees must certify that they have complied with the rule issues under section 5326 (d). This requirement will take effect after FTA issues a rulemaking in FY 2016 and grantees have 2 years from the effective date of the final rule to have a TAM Plan in place.
- j. Annual Certifications and Assurances. Before FTA may award a federal grant, the applicant must provide FTA with all certifications and assurances required by federal laws and regulations for the applicant or project. A grant applicant must sign the appropriate certifications and assurances each year for all anticipated grant applications during that fiscal year. This annual certification process replaces individual certifications and assurances that grantees used in the past when submitting each grant application or periodically when warranted by specific circumstances.

#### 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 5010.1C, and also may also be included in sections of the grant contract. These reporting requirements are annualized as the following:

- a. Milestone/Progress Reports (MPR). These narrative reports define the level of activity for each project element during the reporting period. Delays, 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 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 Reviews. The reviews are required to be performed by FTA grantees purchasing rolling stock. These reviews 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 review requirements under the implementing rule that was

published in September 1991.

- f. Project Management Plan Updates. As major construction projects progress, the original project management plans need revisions and updates. Updates must include project budget; project schedule; financing, both capital and operating; ridership estimates, including operating plan; and, when appropriate, the status of local efforts to enhance ridership when estimates are contingent, in part, upon the success of such efforts to be made. These can be submitted as part of the Milestone Report.

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 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 reports assure FTA of a level of management of risks. The information submitted also ensures FTA's compliance with applicable federal laws and the Common Grant Rule. 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. It is anticipated that 100 percent of applications received under this program will be submitted electronically. FTA also anticipates that approximately 100 percent of the periodic reports that grantees are required to submit will be submitted electronically. Grantees are also encouraged to 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 businesses. However, grantees reporting from smaller urbanized areas (urbanized areas with populations of less than 200,000) can submit Milestone Progress Reports and Federal Financial Reports on an annual basis rather than on the quarterly basis formerly required.

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.

A 60-day Federal Register notice was published on August 7, 2019 Vol. 84 No.152 (38722-38723) 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 November 5, 2019 Vol. 84, No. 214 (pages 59673 - 59674).

FTA consistently engages with our grantees. FTA staff hosts annual webinars with transit providers to allow for two-way communication on updates in the industry and answer any questions or concerns. In addition, FTA actively participates as speakers and panel guest at the American Public Transportation Association meetings specifically the State of Good Repair Roundtable session. Our grantees have found this information and engagement with FTA staff to be useful during the application and reporting process.

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 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.

**Respondents:** State and local governments

**Estimated Annual Number of Responses:** 1,044

**Estimated Total Annual Burden:** 13,217

**Frequency:** Annual

Requirements	# Annual submissions	Burden hours per submission	Total burden hours
<u>Application Stage (includes all of the following):</u>	68	55	3,740
Authorizing/Resolution <ul style="list-style-type: none"> <li>• Opinion of Counsel</li> <li>• Project Description</li> <li>• Project Budget</li> <li>• Project Justification</li> <li>• Project Milestones</li> <li>• List of Labor Unions</li> <li>• Environmental Exhibit</li> </ul>			
Total, Application Stage	68	55	3,740
<u>Project Management Stage</u>			
<b>Milestone Progress Report</b> 8 16,696			
- Reports of Significant Events			
<b>Federal Financial Report</b> - Pre-award/Post Delivery of Rolling Stock - Cost Allocation Plans - Project Management Plan Updates			
Total, Project Management Stage	976	9.71	9,477
Grand Total, Application and Project Management	<b>1,044</b>		<b>13,217</b>

The total burden associated with this submission in FTA's information collection inventory is **13,217 hours** (3,740 hours application stage + 9,477 hours project management stage).

Estimate of the cost to respondents:

The number and complexity of applications submitted each year vary and there is a wide variance in the level of effort required. A majority of applications are, however, simple and straightforward. The figures below are representative of a straightforward application meeting all of the criteria for federal funding.

It takes approximately 55 person-hours to develop and submit an application to FTA for review. Since FTA receives approximately 68 applications per year, the total hours required are estimated to be (55 hours x 68 applications = 3,740 hours). Although various personnel are involved in the development of an application, the median salary for a Urban and Regional Planner (19-3051) according to BLS <https://www.bls.gov/oes/current/oes193051.htm> is \$35.12 per hour plus 28% for fringe benefits equals \$44.95 per hour. Therefore, the cost to the respondents for the application stage is computed at \$168,113 (3,740 hours x \$44.95 per hour).

#### Project Management Stage:

It is determined that the same staff would also prepare all project management reports. After consultation with a small group of respondents, it was determined that the average time involved in the preparation and submission of the reports takes approximately 9.71 hours at an average salary of \$44.95 (see BLS link above) or \$436.46 per report. There are 976 total reports submitted annually; therefore, the cost for the project management stage is estimated to be \$425,984 (976 annual reports \$436.46).

The total cost for the application and project management stages is \$594,097 (\$168,113 application stage + \$425,984 project management stage).

#### 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 in items 12 and 14.

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

The cost to the federal government is \$153,986. The cost is calculated as follows:

#### Application Stage:

Our experience indicates that it takes approximately 50 person-hours to review each application received by FTA. It should be noted that this figure assumes that the application is: 1) complete, 2) fundable and 3) non-controversial. More complex projects or programs of projects would consume additional time.

Although reviewed by several different staffers, from secretaries to the Administrator, it is estimated that the average grade level of the reviewers is GS-12/step 5

[https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2019/DCB\\_h.pdf](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2019/DCB_h.pdf) (including locality pay) paid at \$45.29 per hour. Since FTA receives and reviews approximately 68 applications per year, the cost to the federal government is \$153,986 (50 hours x 68 applications = 3,400 hours x \$45.29)

Project Management Stage:

A review of the progress and other project management reports submitted during a year should be completed within 5 hours by a GS-12.5 at \$45.29 ([https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2019/DCB\\_h.pdf](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2019/DCB_h.pdf)). There are approximately 976 progress reports and financial reports submitted during a year. The cost to the federal government is \$221,015 (\$45.29 x 5 hours x 976 reports).

Total cost for application and project management stages is \$375,001 (\$153,986 application stage + \$221,015 project management stage).

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

This is a request for an extension of a currently approved information collection. The only change in this collection is an increase of annual responses from 720 in the previously approved collection in 2016 to 1044 in this current information collection request. This is a result of an increase in transit agencies eligible to apply for funding under the State of Good Repair program. The burden hours increased proportionally due to new applications and ongoing reporting from grantees who received funding in previous years.

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.

No exceptions are stated.

