



# Peer Call: State Allocation of Section 5310/5311 Funding

---

February 8, 2018, 2:00-3:00 PM ET



U.S. Department of Transportation  
Federal Transit Administration

# Panelists

- Kari Banta, Program Manager, RTAP and Section 5310, Texas DOT, [kari.banta@txdot.gov](mailto:kari.banta@txdot.gov)
- Marcele Edington, 5310 Program Manager, Michigan DOT, [edingtonm@michigan.gov](mailto:edingtonm@michigan.gov)
- Kim Johnson, Transportation Services Section Manager, Michigan DOT, [johnsonk11@michigan.gov](mailto:johnsonk11@michigan.gov)
- *Facilitator* - Liz Taylor, Assistant Director, National RTAP, [etaylor@nationalrtap.org](mailto:etaylor@nationalrtap.org)

# Section 5310 – Texas

- 2 year cycle, 12 month budgets, grant period 16 months
- Applications and grants management in Intelligrants (eGrants)
- Funds allocated over the 25 districts using formula:
  - 25% of the total is divided equally
  - 75% allocated based on number of 5310 population in small urban/rural area divided by total number of state's small urban/rural 5310 population
- Awards to subrecipients by district based on project merit
- Funds not used may be shifted to other districts, on merit
- Residual funds from previous years are considered for any district, based on merit
- Approx. 1/3 of small urban funds transferred to rural each year

## Section 5310 – Texas (continued)

- Field staff score project applications based on the Regional Public Transit Human Services plan and the result of regional public involvement meetings
- Field staff do not score applications of districts that they represent (or have represented)
- Scores based on a 100 point scale. No cut off by point value to qualify for funds. Priority given to existing service.
- Local match available in form of Transportation Development Credits for up to 20% for capital projects. Most subrecipients take advantage of this.
- Local match is required for operating expenses.

# Section 5310 – Michigan

- Annual application cycle
- Funds allocated throughout state (split small urban and rural):
  - 55% of 5310 funds are for traditional 5310 projects.
  - Remaining funds go to continuation of New Freedom (NF) activities
  - If funds remain, they go to additional 5310 projects, e.g. replacement of vehicles purchased with local funds, expansion vehicles, other capital and expansion activities
- Applications are evaluated using criteria, per application instructions. Projects determined to be eligible are then prioritized using a specific priority listing.

## Section 5310 – Michigan (continued)

- Michigan does have state match for capital, but operating is locally matched only (Federal 50% / Local 50%).
- Capital contracts are for a 3-year period, while operating, mobility management, and marketing are for a 1-year period.
- New Freedom (NF) Activities:
  - Projects applied for through rural and small urban NF are selected through a competitive review process.
  - If funds insufficient for all eligible projects, contracts are awarded based on the review and ranking by the MDOT OPT staff using predetermined criteria.
  - Projects are funded starting with the highest-ranking project based on the priority rank listing.

# Section 5310 – Discussion

- How does your state allocate its Section 5310 funds?
- Do you fund capital expenses only, capital and operating, expenses, or vehicles only?
- What was the impact in your state from the 5310 changes in MAP-21?
- Does your state flex Federal Highway Administration funds and if so, what do you use it for?

# Section 5311 – Texas

- Coordinated call for 5311, 5339, and 5304 funds occurs every two years, alternating with 5310.
- Transportation Development Credits are available for local 20% match, when match is required.
- Allocation occurs as follows:
  - Intercity Bus: not less than 15% of federal 5311 allocation
  - Administrative code states that not more than \$20,104,352 will go to transit districts.
  - 65% need based, weighing pop. as 75% and land area 25%
  - 35% is performance based (in good standing, no compliance issues / deficiencies) based on local funds for op. expenses, ridership per VRM, and VRM related to op. expense.



## Section 5311 – Texas (continued)

- No award to a transit district will be less than 90% of the previous award (pending fund availability). Consideration is given to changes in service area, natural disaster, etc.
- Amount in excess of statutory \$20,104,352 (minus intercity):
  - Not more than 10% goes to rural discretionary funds for one time award, pro rata, or merit based. Can also be used to address changes in transit district boundaries.
  - Any remaining goes to Total Vehicle Mile allocation, based on proportion of total vehicle miles to total for all areas.
- Changes to an area from Census may get funding adjustment.
- Scoring is done by field staff, with the staff who represent districts abstaining from scoring those applications.

# Section 5311 – Michigan

## Operating

- An annual budget must be submitted by eligible agency with application in Public Transportation Management System. Eligible agencies receive 18.5% of eligible operating cost.
- State provides majority of match through local bus operating program. Currently provides just under 40% of eligible operating expenses for rural agencies. Rest of match is through a local millage, local general funds, or other types of local funds.

## Capital

- We do not use 5311 for capital unless for JARC activity. We flex FHWA Surface Transportation Program funds to 5311/5310 programs, allocated to rural agencies by their rural task force.

# Section 5311 – Michigan (continued)

## Intercity – 5311(f)

- 15% of apportioned 5311 funds are used for intercity bus, both operating and capital.

## Office of Passenger Transportation (OPT) Administration

- Very small portion of 5311 funds are for staff administration. Staff are required to track activities for two weeks every quarter to ensure activities are Section 5311 eligible.

## Operating and Capital for JARC Activities

- Continuing JARC activities, including operating and mobility management, are eligible under 5311. Applicants submit annual application. Only projects that are continuation are considered.

# Section 5311 – Discussion

- How does your state allocate its Section 5311 funds?
- Does your state still fund JARC activities?
- Does your state do “super grants” for 5310 and 5311?
- What is your application cycle for 5310 and 5311, and if you recently changed from annually to every 2 years, or vice versa, why and how did you do it?

# MTAP State Program Manager Resources

- AASHTO's MTAP offers resources for state program managers
- Reports from recent calls and webinars at:  
[mtap.transportation.org/training-and-technical-resources/53105311-program-managers/](http://mtap.transportation.org/training-and-technical-resources/53105311-program-managers/)
- December 2016 Call on State Distribution of 5310:
  - Do states transfer 5310 money to 5311? If so, how do states ensure funding is utilized strictly for elderly and disabled?
  - Are states allowing for operating assistance with 5310? If so, have they had issues with tracking, invoicing, reporting, etc.?
  - Do states allow purchase of service with 5310 funds?
  - For multi-year vehicle contracts, how have states written Buy America requirements into the specifications as they change each year?
  - What are the challenges if providers receive both 5310 & 5311?

# Thank You

## National Rural Transit Assistance Program

888-589-6821

[info@nationalrtap.org](mailto:info@nationalrtap.org)

[nationalrtap.org](http://nationalrtap.org)

[@nat\\_rtap](https://facebook.com/nationalrtap)

Recording, slides, and handout will be posted at [nationalrtap.org/Peer-Program/Peer-Calls](http://nationalrtap.org/Peer-Program/Peer-Calls). Transcripts available upon request.



U.S. Department of Transportation  
Federal Transit Administration