



U.S. Department of Transportation
Federal Transit Administration



**FACT SHEET:
URBANIZED AREA FORMULA GRANTS
SECTION 5307 & SECTION 5340**

	FY 2013 (in millions)	FY 2014 (in millions)
5307 Grants	\$4,367.95	\$4,428.65
Passenger Ferry Grants	\$30.00	\$30.00
5307 Program Total	\$4,397.95	\$4,458.65
Growing States/High Density Formula (5340)	\$518.70	\$525.90

Purpose

This program provides grants to Urbanized Areas¹ (UZA) for public transportation capital, planning, job access and reverse commute projects, as well as operating expenses in certain circumstances. These funds constitute a core investment in the enhancement and revitalization of public transportation systems in the nation’s urbanized areas, which depend on public transportation to improve mobility and reduce congestion.



Statutory References

49 U.S.C. Sections 5307, 5336, and 5340 / MAP-21 Sections 20007, 20026

Eligible Recipients

FTA apportions funds to designated recipients, which then suballocate funds to state and local governmental authorities, including public transportation providers.

Eligible Activities

- Capital projects.
- Planning.
- Job access and reverse commute projects that provide transportation to jobs and employment opportunities for welfare recipients and low-income workers.
- Operating costs in areas with fewer than 200,000 in population.
- Operating costs, up to certain limits, for grantees in areas with populations greater than 200,000, and which operate a maximum of 100 buses in fixed-route service during peak hours (rail fixed guideway excluded).

¹ An area with a population of 50,000 or more, defined and designated in the most recent decennial census as an ‘urbanized area’ by the U.S. Secretary of Commerce.

Urbanized Area Formula Grants

What's New?

- Operating costs, up to certain limits, for grantees in areas with populations greater than 200,000, and which operate a maximum of 100 buses in fixed-route service during peak hours (rail fixed guideway excluded).
- Transit enhancements are removed and replaced by more narrowly defined “associated transportation improvements.” Recipients must expend at least 1% of their 5307 apportionment on these improvements.
- Funding provided by other government agencies or departments that are eligible to be expended on transportation may be used as local match.
- Certain expenditures by vanpool operators may be used as local match.
- MAP-21 removes eligibility for the transfer of 5307 transit funds to highway projects.

Ongoing Provision

- Recipients must expend 1% for transportation security projects or certify that it is not necessary to do so.

Funding

- Federal share is 80% for capital assistance.
- Federal share is 50% for operating assistance.
- Federal share is 80% for Americans with Disabilities Act (ADA) non-fixed-route paratransit service, using up to 10% of a recipient's apportionment.

Formula

- For areas of 50,000 to 199,999 in population, the formula is based on population and population density, and number of low-income individuals.
- For areas with populations of 200,000 and more, the formula is based on a combination of bus revenue vehicle miles, bus passenger miles, fixed guideway revenue vehicle miles, and fixed guideway route miles, as well as population and population density and number of low-income individuals.

Passenger Ferry Grant Program

- \$30 million is set aside for passenger ferry grants, to be allocated through competitive selection.

For additional information on FTA and MAP-21, visit www.fta.dot.gov/map21.