



Transit Asset Management (TAM) FAQ

What is Transit Asset Management?

Transit Asset Management (TAM) is the strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets to manage their performance, risks, and costs over their life cycles to provide safe, cost-effective, and reliable public transportation. TAM uses transit asset condition to guide how to manage capital assets and prioritize funding to improve or maintain a state of good repair.

What is the TAM Rule?

The TAM Rule (49 CFR part 625) is a set of federal regulations that sets out minimum asset management practices for transit providers.

The current estimated cost to bring all of the nation's transit assets into a state of good repair is \$85.9 billion. FTA estimates that an additional \$2.5 billion per year above current funding levels is needed just to keep the backlog from growing.

The TAM rule aims to address the backlog by requiring transit providers to create TAM plans that will help them systematically address their maintenance needs, which will in turn improve service. Well-developed asset management systems have been shown to lower long-term maintenance costs. Additionally, TAM will have important non-quantifiable benefits such as improved transparency and accountability. Implementing a TAM system will require transit providers to collect and use asset condition data, set targets, and develop strategies to prioritize investments to meet their goals.

Who does the TAM Rule apply to?

The TAM rule applies to recipients and subrecipients of Chapter 53 funds who own, operate, or manage public transportation capital assets used to provide public transportation.

How do transit providers comply with the TAM rule?

The TAM rule requires every transit provider that receives federal financial assistance under 49 U.S.C. Chapter 53 to develop a TAM plan or be a part of a group TAM plan prepared by sponsor. All TAM plans must contain:

- An inventory of assets
- A condition assessment of inventoried assets
- Documentation of the use of a decision support tool
- A prioritization of investments

Larger transit providers also have to include the following items in their TAM plans:

- TAM and SGR policy
- Implementation strategy
- List of key annual activities
- Identification of resources
- Evaluation plan

Where can I find more information about TAM and the TAM Rule?

FTA's TAM website provides the following resources, and many more:

- [TAM Rulemaking](#)
- [Getting Started](#)
- [TAM Resources](#)