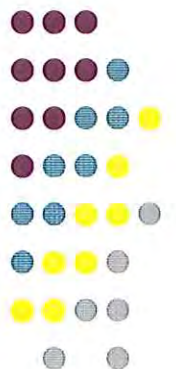


# Urban Mass Transit Assistance

Wisconsin Legislative Fiscal Bureau  
January, 2011



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Prepared by

Al Runde

Wisconsin Legislative Fiscal Bureau  
One East Main, Suite 301  
Madison, WI 53703

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This paper provides information on state and federal programs that fund mass transit in Wisconsin. The first section provides information on the state mass transit operating assistance programs. The second section provides information on the federal mass transit assistance programs. Next, an analysis of trends in the mass transit operating assistance program is provided. Finally, the elderly and disabled transit assistance programs are described.

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## State Mass Transit Operating Assistance

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State assistance is available to help finance transit systems in areas of the state with populations of 2,500 or more. Transit systems currently receiving state aid are primarily bus systems or shared-ride taxicab service systems. Shared-ride taxicab operators provide public transportation service, under contract, in areas of the state with insufficient population to support bus service. Kenosha also receives aid for its downtown trolley system.

The distribution of mass transit aid payments consists of the following four tiers: (a) Milwaukee County/Transit Plus in Tier A-1; (b) Madison in Tier A-2; (c) the larger bus and shared-ride taxi systems in Tier B; and (d) smaller bus and shared-ride taxi systems in Tier C. While no funding was provided, 2009 Act 28 created Tier A-3, which will include any commuter or light rail mass transit funding project enumerated as a major capital improvement in the statutes (current enumerations include the Kenosha-Racine-Milwaukee commuter rail project, the Dane County commuter rail project, and any project stemming from the Milwaukee downtown connector study). Act 28 also specified that the other four tiers cannot be

used to provide aid for a commuter rail or light rail transit system.

Tier A-1 (Milwaukee County/Transit Plus) and Tier A-2 (Madison) systems are each provided a specified amount of funding for a calendar year. For Tiers B and C, aid payments are made so that total state and federal aid equals a uniform percentage of operating expenses for each system within a tier. While no funding is currently provided for Tier A-3 systems, any funding that is provided in the future would be distributed using a procedure similar to that for Tiers B and C.

## Program Funding

Although program funding is appropriated on a fiscal year basis, contracts with aid recipients are on a calendar year basis. Table 1 shows the state operating assistance payments to aid recipients for calendar years 2002 through 2011.

**Table 1: Urban Mass Transit Operating Assistance Payments**

Calendar Year	Amount	Change
2002	\$96,726,800	
2003	98,661,400	2.0%
2004	98,661,400	0.0
2005	98,661,400	0.0
2006	100,634,600	2.0
2007	102,647,400	2.0
2008	110,013,600	7.2
2009	112,643,900	2.4
2010	114,863,100	2.0
2011	118,309,200	3.0

In 2010, 73 mass transit systems received an estimated \$114.9 million in state transit aid. Over 90% of this aid was distributed to bus systems, with the remainder being distributed to shared-ride taxi sys-

tems. In calendar year 2010, Tier A-1 received \$66,585,600, Tier A-2 received \$17,496,400, Tier B received \$25,099,500, and Tier C received \$5,681,600. Mass transit aid payments are made from sum certain, transportation fund appropriations.

### **Current Provisions**

In order to participate in the mass transit operating assistance program, a claimant must meet all of the following requirements:

1. The mass transit system must be a bus, shared-ride taxicab, rail, or other conveyance, either publicly or privately owned, that provides the public with general or special service on a regular and continuing basis.

2. The system must serve an urban area that includes a city or village with a population of 2,500 or more, which is appropriate, in the judgment of the Department of Transportation (DOT), for an urban mass transit system. An area that includes two American Indian reservations and is served by a mass transit system operated by a transit commission is also eligible.

3. The transit system must have an operating deficit (operating expenses must exceed operating revenues) for the year that aid is provided. The applicant must pay the deficit that remains after federal and state aid is applied. The property tax is the primary local revenue source to fund the remaining deficit.

4. Recipients of mass transit aid (excluding shared-ride taxicab systems) must provide a local match from nonfarebox revenue equal to 20% of state aid received.

5. The mass transit system must provide reduced fare (one-half or less of peak adult fare) programs for elderly and disabled persons during nonpeak hours. An administrative rule exempts shared-ride taxicab systems from this requirement.

6. The applicant for mass transit assistance must be the public body that pays the transit system's operating deficit. A public body can contract with a private firm to provide mass transit service.

7. If multiple local governments contribute assistance to the operation of a mass transit system, state aid for that system is divided either proportionately or in accordance with a cost-sharing agreement filed with DOT.

8. The applicant must annually prepare and submit to DOT a four-year transit development plan. The applicant must also establish multi-year service and performance goals and assess the effectiveness of its mass transit system in relation to those goals at intervals specified by DOT.

9. The mass transit system may not provide service outside the corporate limits of the parties to the system contract unless the system receives financial support for such service. However, systems that were providing such service on April 28, 1994, may elect to continue without financial support.

10. The applicant must establish and administer a separate, segregated account from which moneys may only be used for purposes related to a mass transit system. All moneys received from the state and the federal government for a mass transit system must be deposited in this account.

### **The Contract Process**

DOT signs annual contracts with each eligible applicant. Contracts are based on the transit system's projected operating expenses for the calendar year for which aid is received. Quarterly aid payments are made in April, July, October, and December. Each transit system has 10% of its total contract amount withheld pending the results of an audit. Contracts must require the transit system to comply with DOT rules establishing cost efficiency standards as a condition of receiving aid.

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## **Southeast Wisconsin Transit Capital Assistance**

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Under 2009 Act 28, DOT is required to develop and administer a southeast Wisconsin transit capital assistance program. Act 28 provided \$100,000,000 in general fund supported, general obligation borrowing for transit capital improvement grants to the Southeastern regional transit authority (RTA) for the program.

Under the program, the Southeastern RTA can only submit grant applications for a major transit capital improvement project (a project costing \$5 million or more) if it has been enumerated in state statutes. Grant applications for smaller projects are not subject to this requirement. Act 28 enumerated the following major transit capital improvement projects in southeastern Wisconsin that would be eligible for a grant under the program: (a) any project resulting from the Milwaukee Downtown Transit Connector Study of the Wisconsin Center District; and (b) the KRM commuter rail line, defined as a commuter rail transit system connecting the cities of Kenosha, Racine, and Milwaukee.

DOT may award a grant only if all of the following apply: (a) the RTA is eligible under federal law to be a public sponsor for a project that receives federal funding; and (b) the RTA receives funds from a dedicated local revenue source for capital and operating costs associated with providing transit services. DOT may not accept any grant applications under the program after December 31, 2015. Any single grant awarded under the program is limited to the lesser of \$50 million, 25% of the total project cost, or 50% of the portion of the total project cost not funded with federal aid. DOT has not yet awarded any grants under this program.

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## **Federal Mass Transit Assistance**

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Federal aid is distributed as an annual federal

appropriation (the federal fiscal year is October 1 thru September 30), but transit systems use the funds in the following calendar year. For example, the federal appropriation for the year beginning on October 1, 2009, was used in calendar year 2010. Federal transit funds for basic operations are available under two separate programs, the urbanized area and nonurbanized area formula programs of the Urban Mass Transportation Act of 1964, as amended. In addition, federal assistance is provided through a supplemental rural transportation program, the job access reverse commute program, and various capital assistance programs.

### **Urbanized Area Formula Program**

The urbanized area formula program provides capital and operating assistance to areas with a population of 50,000 or more that contain a city or group of cities. This funding is distributed based on population and population density. Under the 2005 federal transportation reauthorization act, the basic federal urbanized area formula is augmented with two additional formula features: the growing states and high density states formula; and the small transit intensive cities (STIC) formula, which only provides funding to systems serving urbanized areas with less than 200,000 in population.

*Population over 200,000.* Urbanized areas with a population over 200,000 receive aid directly from the Federal Transit Administration. For 2010, Milwaukee was apportioned \$21.3 million and Madison was apportioned \$7.1 million in federal capital assistance. Under federal law, capital assistance funds to those areas over 200,000 in population as of 1990 can be used to fund a system's annual maintenance costs. For those metropolitan areas that grew over 200,000 since 1990, only a portion of these federal funds can be used for annual maintenance costs. In addition, Milwaukee and Madison urbanized area systems use 1% of the annual federal fund amounts on system enhancements. State systems did not receive any augmentation to their urbanized area formula aid amounts associated with the growing states and high density states formula features.

For aid year 2010, the following nine transit systems are eligible to share in this funding, as determined by the urbanized areas:

**Milwaukee Urbanized Area**

Milwaukee County Transit\*      Waukesha City/  
Ozaukee County                      County  
Washington County

**Madison Urbanized Area**

Madison      Stoughton      Verona  
Monona      Sun Prairie

\*Milwaukee County Transit includes the transit plus program, which provides services for wheelchair users, persons with a walker or crutches, and the legally blind, through the use of private vans and taxis that contract with the county. Eligible persons may choose assigned van carriers for service. In addition, persons may choose to use taxi services, which are then reimbursed by the county for the full or partial cost of the fare.

*Population between 50,000 and 200,000.* Urbanized areas with populations between 50,000 and 200,000 receive their federal aid through DOT. The Department distributes federal funds so that each area receives combined state and federal aid for an equal percentage of its transit system's operating expenses. In 2010, the state was apportioned \$19.1 million for transit systems in these urbanized areas.

Federal funds used for capital projects are distributed based on a priority system determined by DOT. If insufficient funding is available, priority is given to replacement or rehabilitation of existing vehicles. DOT uses transportation improvement program reports in order to prioritize replacement needs.

The federal STIC funding formula uses system performance factors, such as revenue miles, vehicle miles, revenue hours, and passenger miles, along with population, to determine the formula amount. Systems that provide more service per capita using these factors receive a STIC augmentation to their urbanized area formula amount. In 2010, five Wisconsin systems were apportioned STIC funding. These funding amounts are included in the \$19.1 million in urbanized area formula funding received

by the state for urbanized systems serving areas with less than 200,000 in population.

The following transit systems are located in urbanized areas with a population between 50,000 and 200,000:

Appleton	Janesville	Racine
Beloit	Kenosha	Racine-Commuter
Chippewa Falls	La Crosse	Sheboygan
Eau Claire	Milton	Superior
Fond du Lac	Onalaska	Wausau
Green Bay	Oshkosh	

**Nonurbanized Area Formula Program**

DOT also distributes federal aid under the non-urbanized area formula program to bus and shared-ride taxi systems that serve areas with a population under 50,000. Wisconsin's share of total program funding is equal to the state's share of the total U.S. population residing in nonurbanized areas. Funds are distributed by DOT for up to 50% of the operating deficit of a system. Any remaining funds are used to support capital projects. In 2010, the state was apportioned \$13.4 million for transit systems in these nonurbanized areas.

For 2010, the following transit systems are located in nonurbanized areas, for federal transit aid purposes, which have a population of less than 50,000:

Baraboo	Medford	River Falls
Bay Area Rural	Merrill	Rusk County
Beaver Dam	Monroe	Sawyer County
Berlin	Neillsville	Shawano
Black River Falls	New Richmond	Stevens Point
Clintonville	Ozaukee County *	Tomah
Door County	Platteville	Viroqua
Edgerton	Plover	Washington County*
Fort Atkinson	Port Washington	Waterloo-Marshall
Grant County	Portage	Watertown
Hartford	Prairie du Chien	Waupaca
Jefferson	Prairie du Sac	Waupun
Lake Mills	Reedsburg	West Bend
Manitowoc	Rhineland	Whitewater
Marinette	Rice Lake	Wisconsin Rapids
Marshfield	Richland Center	
Mauston	Ripon	

\*Eligible to receive both urbanized formula funds for capitalized maintenance costs and nonurban formula operating funds for rural service costs.

## **Job Access Reverse Commute Program**

The purpose of the job access reverse commute (JARC) grant program is to develop transportation services designed to transport welfare recipients and low-income individuals to and from jobs and to develop transportation services for residents of urban centers and rural and suburban areas to suburban employment opportunities. Emphasis is placed on projects that use mass transportation services.

Grants may finance capital projects and operating costs of equipment, facilities, and associated capital maintenance items related to providing access to jobs. Grants may also be used to promote the use of transit by workers with nontraditional work schedules, to promote the use of transit vouchers for welfare recipients and eligible low-income individuals, and to promote the use of employer-provided transportation, including the provision of transit benefits as part of employer benefits programs.

JARC funds are allocated on a discretionary basis as follows: (a) 60% to urbanized areas of over 200,000 in population; (b) 20% to urbanized areas of under 200,000 in population; and (c) 20% to nonurbanized areas. The funds are apportioned among the recipients by a formula that is based on the ratio that the number of eligible low income and welfare recipients in each such area bears to the number of eligible low income and welfare recipients in all such areas. The local share of eligible capital and planning costs can be no less than 20 percent of the net cost of the JARC grant activity. The local share for eligible operating costs can be no less than 50 percent of the net operating costs of the transit service or activity funded with the JARC grant.

In 2010, Wisconsin received a total apportionment of approximately \$2.4 million in JARC funds: \$751,400 allocated to the Milwaukee urbanized area; \$172,000 allocated to the Madison urbanized area; \$890,000 to the state to be distributed to the

urbanized areas of the state with between 50,000 and 200,000 in population; and \$597,100 to the state to be distributed to the nonurbanized areas of the state with less than 50,000 in population.

## **Rural Transportation Assistance Program**

The federal rural transit assistance program (RTAP) provides a source of funding to assist in the design and implementation of training and technical assistance projects and other support services tailored to meet the needs of transit operators in nonurbanized areas. States may use RTAP funds to support nonurbanized transit activities in four categories: training, technical assistance, research, and related support services. States should develop their RTAP activities through a process that provides maximum opportunity for the participation of rural transit operators, both public and private, in identifying and establishing priority areas of need for transportation research, technical assistance, training, and related support services in other than urbanized areas.

RTAP funds are allocated to states based on an administrative formula, which first allocates \$65,000 to each of the states, then distributes the balance according to the nonurbanized population of the states. There is no federal requirement for a local match. In 2010, Wisconsin was apportioned \$196,313 in federal RTAP funds.

## **Federal Capital Assistance**

*Transit Capital Investment Program.* The transit capital investment program (49 U.S.C. 5309) provides capital assistance for three primary activities: (a) new and replacement buses and facilities; (b) modernization of existing fixed guideway systems; and (c) new fixed guideway systems (the New Starts program). Eligible recipients for capital assistance funds include public bodies and agencies (transit authorities and other state and local public bodies and agencies thereof), including states, municipalities, or other political subdivisions of states.

Federal capital assistance for bus systems is allocated on a discretionary basis. Eligible bus and bus-related projects include the acquisition of buses for fleet and service expansion, bus maintenance and administrative facilities, transfer facilities, bus malls, transportation centers, intermodal terminals, park-and-ride stations, acquisition of replacement vehicles, rebuilding of buses, and preventive maintenance. Projects may also include passenger amenities such as passenger shelters and bus stop signage. Accessory and miscellaneous equipment such as mobile radio units, supervisory vehicles, fareboxes, and computers, and shop and garage equipment and costs incurred in arranging innovative financing for eligible projects are also allowable uses of these funds. In 2010, Wisconsin received \$5.6 million in federal capital funding for new and replacement buses and facilities under this program.

A "fixed guideway" system refers to any transit service that uses exclusive or controlled rights-of-way or rails, entirely or in part. The term includes heavy rail, commuter rail, light rail, monorail, trolleybus, aerial tramway, inclined plane, cable car, automated guideway transit, ferryboats, that portion of motor bus service operated on exclusive or controlled rights-of-way, and high-occupancy-vehicle (HOV) lanes. In 2010, Madison received \$928,252 and Milwaukee received \$387,463 in federal fixed guideway modernization funding allocations.

Eligible purposes are capital projects to modernize or improve existing fixed guideway systems, including the purchase and rehabilitation of rolling stock, track, line equipment, structures, signals, communications and power equipment, substations, passenger stations, and terminals. Security equipment and systems, maintenance facilities and equipment, and operational support equipment, including computer hardware and software system extensions, are also eligible projects.

The New Starts program provides funds for construction of new fixed guideway systems or extensions to existing fixed guideway systems. Eli-

gible purposes are light rail, rapid rail (heavy rail), commuter rail, monorail, automated fixed guideway systems (such as a "people mover"), or a busway/high-occupancy-vehicle (HOV) facility, or an extension of any of these. Projects become candidates for funding under this program by successfully completing the appropriate steps in the major capital investment planning and project development process.

New Starts funding for major new fixed guideway projects or an extension to existing systems is typically provided through a full funding grant agreement that defines the scope of the project and specifies the total, multi-year federal commitment to the project. Funding allocation recommendations are made in an annual report to Congress. In 2010, Wisconsin did not receive any annual federal New Starts funding allocations.

In addition, the alternatives analysis program (49 U.S.C. 5339) provides funding to conduct alternatives analysis for New Starts projects. For federal fiscal years 2006 and 2007, the City of Madison and Dane County were allocated a total of \$750,000 annually in alternatives analysis funding to conduct a Transport 2020 corridor study for the metropolitan area. Wisconsin has not received any additional federal alternatives analysis funds since then.

*American Recovery and Reinvestment Act.* The 2009 American Recovery and Reinvestment Act (ARRA or "federal stimulus bill") provided one-time increases to transit capital funding during the 2009 and 2010 federal fiscal years. These ARRA transit capital funds were apportioned to states based on the federal urbanized and nonurbanized transit assistance formulas. Based on these formulas, FTA apportioned Wisconsin \$81.3 million in ARRA formula funds as follows: \$28.5 million to the Milwaukee urbanized area; \$9.5 million to the Madison urbanized areas; \$23.2 million to urbanized areas with transit systems serving a population between 50,000 to 200,000; and \$20.1 million in ARRA transit funding for the nonurbanized areas of the state. In addition, the Lac Courte Oreilles tribal government and the Red Cliff Band of the



Lake Superior Chippewas specifically received \$200,000 and \$125,000, respectively, in ARRA funds. The Madison urbanized area was also apportioned \$243,200 in ARRA fixed guideway funding.

Similar to formula funding, federal ARRA transit funding for larger urban areas with populations exceeding 200,000 (currently Madison and Milwaukee) was allocated directly by FTA to those urban areas. DOT allocated the ARRA transit funding for urban areas with less than 200,000 in population. However, for those areas between 50,000 and 200,000 in population, the individual providers were responsible for applying directly to FTA to receive funding. Under 2009 Wisconsin Act 2, DOT's proposed allocations of ARRA grants to nonurbanized systems required the approval of the Joint Committee on Finance.

Under ARRA, at least 50% of the funds had to be expended within 180 days of the apportionment being made, and the remaining funds had to be expended within 360 days of the apportionment. Unspent amounts would revert back to FTA and be redistributed to other areas of the country. All of the ARRA funds apportioned to Wisconsin were expended within these required timeframes and the state did not receive any ARRA funds redistributed by FTA.

The ARRA capital assistance funds could be used to fund up to 100% of the project costs. Similar to the federal transit capital assistance program,

up to 15% of the nonurbanized area funds could be used to cover state administrative expenses related to DOT's program administration.

### Federal Transportation Planning Funding

FTA also provides funding to states and directly to larger metropolitan areas for transportation planning. Eligible recipients include state transportation departments and metropolitan planning organizations (MPOs). Federal planning funds are first apportioned to state transportation departments, which then allocate planning funding to MPOs in each state. In 2010, Wisconsin received transportation planning apportionments of \$1.1 million for metropolitan transportation planning and \$275,500 for statewide transportation planning.

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### Trends in the Mass Transit Assistance Program on a Calendar-Year Basis

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Table 2 shows the distribution of funding sources for transit systems on a statewide basis for the ten-year period from 2001 to 2010. Funding for mass transit is provided through federal and state aid, local revenues, and farebox revenue. These figures are shown on a calendar-year basis and reflect statewide averages. The funding mix for individual systems may vary significantly from these averages.

**Table 2: Urban Transit Systems Public Funding Distribution (in Millions)**

Calendar Year	Total Operating Expenses	External Funding				Local Funding			
		Federal	%	State	%	Local*	%	Farebox Revenue	%
2001	\$233.3	\$31.0	13.3%	\$93.0	39.9%	\$45.8	19.6%	\$63.5	27.2%
2002	239.9	33.4	13.9	96.7	40.3	43.3	18.0	66.5	27.7
2003	244.1	35.6	14.6	98.7	40.4	46.7	19.1	63.1	25.9
2004	251.6	40.4	16.1	98.7	39.2	44.2	17.6	68.3	27.1
2005	259.9	44.8	17.2	98.7	38.0	49.7	19.1	66.7	25.7
2006	269.1	48.5	18.0	100.6	37.4	50.3	18.7	69.7	25.9
2007	285.7	48.8	17.1	102.6	35.9	58.4	20.4	75.9	26.6
2008	301.6	52.0	17.2	110.0	36.5	60.0	19.9	79.6	26.4
2009	315.1	55.8	17.7	112.6	35.8	56.8	18.0	89.9	28.5
2010	318.8	57.1	17.9	114.9	36.0	55.5	17.4	91.3	28.6

\*Primarily property tax revenue.

Under 1999 Act 9, state transit systems are required to disclose to DOT the amount of federal aid, over which the system has discretion, and which the system plans to apply toward operating expenses each year. Since calendar year 2001, these federal funds received directly by the state's larger metropolitan area systems have been included in annual budgeting and operating cost projections. As a result of this change and increasing federal aid, federal aid as a percentage of public funding for operating expenses increased steadily from 2001 to 2005, and has remained between 17% and 18% of system operating costs since then. In 2010, federal aid covered 17.9% of system operating expenses.

State aid remains the largest funding source available to state transit systems to cover their operating expenses. However, the percentage of expenses covered by state aid, which reached 40.4% of expenses in 2003, declined to 35.8% in 2009. This decline is primarily due to the combination of the law change on the treatment of discretionary federal funds under the formula, increased federal aid, and increased fares at some of the larger systems. Due in large part to federal aid and recent fare increases, the local funding share has declined from a 10-year high of 20.4% of system operating expenses in 2007 to a 10-year low point of 17.4% of those costs in 2010.

The Appendix to this paper provides a breakdown of the funding sources for each system that participated in the 2010 urban mass transit program.

Administrative rules limit the combined amount of state and federal aid to 70% of operating expenses. Any remaining federal funds are used to support capital projects. If federal funds remain after capital needs are met, the funds are made available for operating assistance beyond the 70% cap. However, in 2010, the combined state and fed-

eral aid percentage was 58.5 % for Tier B and 65.0% for Tier C, well below the 70% maximum.

Recipients of mass transit aid (excluding shared-ride taxicab systems) must provide a local match from nonfarebox revenue equal to 20% of state aid received. Since farebox revenue is excluded, bus systems must cover the match with their "local share" portion of funding, which is financed primarily through the property tax.

Table 3 shows the local match provided by mass transit bus systems for 2010. All bus systems currently meet the local match requirement. In 2010, 21 of the 26 bus systems provided a local match greater than 50% of the state aid amount.

**Table 3: Local Match Provided by Mass Transit Bus Systems (Calendar Year 2010)**

	State Aid Received	Local Share	Local Share as a % of State Aid
<b>Tier A-1</b>			
Milwaukee County	\$66,585,600	\$21,796,719	32.7%
<b>Tier A-2</b>			
Madison	\$17,496,400	\$11,956,422	68.3%
<b>Tier B Bus</b>			
Appleton	\$2,051,554	\$1,569,870	76.5%
Beloit	511,396	426,734	83.4
Eau Claire	1,356,883	1,386,470	102.2
Fond du Lac	423,617	383,458	90.5
Green Bay	2,154,017	2,059,212	95.6
Janesville	709,033	667,102	94.1
Kenosha	1,861,860	1,697,938	91.2
La Crosse	1,555,969	1,603,814	103.1
Monona	102,828	34,747	33.8
Oshkosh	1,267,939	1,235,541	97.4
Racine	1,989,153	1,502,535	75.5
Racine Commuter	702,509	236,361	33.6
Sheboygan	1,133,746	1,092,725	96.4
Superior	342,930	421,204	122.8
Verona	76,113	26,994	35.5
Waukesha	4,521,908	1,858,522	41.1
Wausau	1,122,390	1,122,037	100.0
<b>Tier C Bus</b>			
Bay Area Rural (Ashland)	\$275,060	\$310,524	112.9%
Manitowoc	455,167	616,526	135.5
Merrill	123,478	109,364	88.6
Rice Lake	44,950	67,162	149.4
Rusk County	133,584	138,361	103.6
Sawyer County	255,023	337,892	132.5
Stevens Point	295,955	475,631	160.7

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## Elderly and Disabled Transportation Assistance

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The state has three programs to finance the improvement of transportation services for the elderly and disabled: a county grant program; a capital grant program; and a tribal and elderly transportation grant program. These programs help to provide the benefits of transportation service to those people not otherwise having an available or accessible method of transportation. Table 4 shows the amount appropriated from the transportation fund for the county and capital assistance programs from 2001-02 through 2010-11. The tribal and elderly grant program is funded with tribal gaming funds.

**Table 4: Elderly and Disabled Transportation Aid**

Fiscal Year	County Assistance	Capital Assistance
2001-02	\$7,667,400	\$921,900
2002-03	7,925,100	921,900
2003-04	8,146,300	921,900
2004-05	8,373,000	921,900
2005-06	10,373,000	921,900
2006-07	12,373,000	921,900
2007-08	12,638,900	921,900
2008-09	12,910,100	921,900
2009-10	13,196,000	912,700
2010-11	13,623,400	912,700

### County Assistance

County aid is distributed on the basis of each county's share of the state's total elderly and disabled population. Each county must provide a match equal to 20% of its state aid amount. With its state aid, the county may directly provide transportation services, subsidize other systems which provide transportation services, or directly subsidize elderly or disabled persons for their use of existing services, such as taxis.

A county may not use elderly and disabled aid to support regular urban mass transit service, but may use this aid to support subsystems that provide special services to the elderly and disabled. Priority may be given to trips made for medical or nutritional reasons or for work. Counties must either require a copayment by users of this service or provide the user with an opportunity to make a voluntary contribution to the cost of the service.

DOT can establish a minimum allocation for counties under this program. This currently equals 0.5% of the total available funding (\$68,117 for 2011). In 2011, 22 counties received the minimum aid level.

Counties must apply for elderly and disabled transportation aid by January 1. Counties expend funds on a calendar year basis. For example, the 2010-11 appropriation is spent in calendar year 2011. Counties may hold this aid in trust to provide transportation services or to acquire or maintain equipment used for elderly and disabled transportation services. Any aid held in trust, including any accumulated interest, not expended for the authorized purposes must be returned to DOT for deposit in the transportation fund.

### Capital Assistance

The state's capital assistance program supplements a federal program that makes capital grants to private, nonprofit organizations providing transportation assistance to the elderly and disabled. The federal aid program is designed to assist private, nonprofit organizations in purchasing vehicles and related equipment to transport the elderly and disabled. The state's allotment of federal aid is based on its percentage of the country's elderly and disabled population.

DOT prioritizes applications received from private, nonprofit organizations and, commencing with the highest-ranked application, offers each applicant an amount of state aid such that the sum of state and federal aid does not exceed a

percentage of project costs established under DOT rule (sum of state and federal aid cannot exceed 80% of estimated capital costs). The grant recipient must provide the remaining percentage of costs. For specific types or categories of equipment involved, a capital grant may not exceed the percentage of costs eligible for federal aid. This aid may not be used for operating costs. DOT is responsible for procuring the equipment on behalf of approved applicants.

Local public bodies are eligible for the capital assistance program if they either certify that no private, nonprofit organization is readily available to provide transportation services in the area or if they receive DOT approval to coordinate transportation services in the area.

### **Tribal Elderly Transportation Grants**

2009 Act 28 created a state tribal elderly transportation grant program to make grants to American Indian tribes and bands for tribal elderly transportation assistance. Act 28 provided \$247,500 annually in state Indian gaming revenues to fund the program. Any unencumbered balance in the DOT appropriation, from which the program is funded, on June 30 of each year reverts back to the Department of Administration's gaming revenues appropriation.

Under the program, DOT is required to annually award grants to federally recognized American Indian tribes or bands to assist in providing transportation services for elderly persons. DOT must prescribe the form, nature, and extent of the information that is to be contained in an application for

a program grant and to establish criteria for evaluating applications and for awarding grants. For 2010, DOT provided all eleven of the state's tribes an equal share of the total funds, or \$22,500 each.

### **Federal Assistance**

Federal elderly and disabled assistance is also available on a formula basis based on each state's share of the country's population of these groups. Program funds are used for the purpose of assisting private, nonprofit groups in meeting the needs of elderly and disabled persons when the transportation service provided is unavailable, insufficient, or inappropriate for meeting these needs. Funds can be used to assist with provider operating costs or capital needs. Program funds are obligated based on the annual program or projects included in a statewide grant application submitted by DOT. In 2010, Wisconsin received an apportionment of approximately \$2.3 million in federal elderly and disabled aid.

A new federal formula grant program called the New Freedom Program provides capital and operating funds for service and facility improvements, made to address the needs of persons with disabilities, which are beyond those required by the federal Americans with Disabilities Act. In 2010, the state was apportioned approximately \$1.6 million in federal funds under the program. The funds were allocated as follows: \$432,839 to the Milwaukee urbanized area; \$83,650 to the Madison urbanized area; \$648,471 to the state for urbanized areas with 50,000 to 200,000 in population; and \$433,168 to the state for urbanized areas with less than 50,000 in population.

## APPENDIX

### 2010 Transit System Public Funding Sources

	2010 Expenses	Federal Share*	% of Expense	State Share	% of Expense	Local Share	% of Expense	Farebox Revenue	% of Expense
<b>Tier A-1</b>									
Milwaukee County	\$166,412,241	\$18,648,933	11.2%	\$66,585,600	40.0%	\$21,796,719	13.1%	\$59,380,989	35.7%
<b>Tier A-2</b>									
Madison**	\$48,363,240	\$7,065,939	14.6%	\$17,496,400	36.2%	\$11,956,422	24.7%	\$11,844,479	24.5%
<b>Tier B</b>									
Appleton	\$7,865,099	\$2,549,529	32.4%	\$2,051,554	26.1%	\$1,569,870	20.0%	\$1,694,146	21.5%
Beloit	1,962,173	636,473	32.4	511,396	26.1	426,734	21.7	387,570	19.8
Chippewa Falls**	448,386	145,362	32.4	116,943	26.1	68,834	15.4	117,246	26.1
Eau Claire	5,202,578	1,686,625	32.4	1,356,883	26.1	1,386,470	26.6	772,600	14.9
Fond du Lac	1,624,237	526,562	32.4	423,617	26.1	383,458	23.6	290,600	17.9
Green Bay	8,258,956	2,677,473	32.4	2,154,017	26.1	2,059,212	24.9	1,368,254	16.6
Janesville	2,782,930	918,981	33.0	709,033	25.5	667,102	24.0	487,814	17.5
Kenosha	7,138,766	2,314,318	32.4	1,861,860	26.1	1,697,938	23.8	1,264,650	17.7
La Crosse	5,965,913	1,934,091	32.4	1,555,969	26.1	1,603,814	26.9	872,040	14.6
Milton**	52,065	0	0.0	30,458	58.5	6,607	12.7	15,000	28.8
Monona	175,775	0	0.0	102,828	58.5	34,747	19.8	38,200	21.7
Onalaska**	679,787	220,380	32.4	177,295	26.1	123,987	18.2	158,125	23.3
Oshkosh	4,861,546	1,576,066	32.4	1,267,939	26.1	1,235,541	25.4	782,000	16.1
Ozaukee County**	2,575,852	424,200	16.5	1,082,673	42.0	614,514	23.9	454,465	17.6
Racine	7,626,833	2,472,545	32.4	1,989,153	26.1	1,502,535	19.7	1,662,600	21.8
Racine Commuter	1,200,870	0	0.0	702,509	58.5	236,361	19.7	262,000	21.8
Sheboygan	4,347,024	1,409,263	32.4	1,133,746	26.1	1,092,725	25.1	711,290	16.4
Stoughton**	300,201	0	0.0	175,618	58.5	23,819	7.9	100,764	33.6
Sun Prairie**	664,153	0	0.0	388,530	58.5	70,624	10.6	205,000	30.9
Superior	1,314,865	426,266	32.4	342,930	26.1	421,204	32.0	124,465	9.5
Verona	130,107	0	0.0	76,113	58.5	26,994	20.7	27,000	20.8
Waukesha	9,463,079	1,013,993	10.7	4,521,908	47.8	1,858,522	19.6	2,068,656	21.9
Wausau	4,303,481	1,395,147	32.4	1,122,390	26.1	1,122,037	26.1	663,907	15.4
Washington County**	3,174,123	612,723	19.3	1,244,139	39.2	727,761	22.9	589,500	18.6
Subtotal Tier B:	\$82,118,799	\$22,939,997	27.9%	\$25,099,500	30.6%	\$18,961,410	23.1%	\$15,117,892	18.4%

\*The federal share for Tiers A-1 and A-2 is derived from FTA Section 5307 capitalized maintenance funds. The majority of the federal share for Tier B systems is derived from Section 5307 operating assistance funds (Governor's apportionment), with the following exceptions: Milton, Monona, Stoughton, Sun Prairie, the Racine Commuter, and Verona systems receive no federal assistance. The Waukesha, Ozaukee County, and Washington County systems receive urbanized area Section 5307 funds (Milwaukee and Madison), which can be used to cover capitalized maintenance and contracting costs.

\*\* Shared-ride taxi systems (Washington County and Ozaukee County have both bus and shared-ride taxi components).

**APPENDIX (continued)**

**2010 Transit System Public Funding Sources**

	2010 Expenses	Federal Share	% of Expense	State Share	% of Expense	Local Share	% of Expense	Farebox Revenue	% of Expense
<b>Tier C Bus</b>									
Bay Area (Ashland)	\$1,324,068	\$585,584	44.2%	\$275,060	20.8%	\$310,524	23.5%	\$152,900	11.5%
Manitowoc	2,345,075	1,069,044	45.6	455,167	19.4	616,526	26.3	204,338	8.7
Merrill	548,184	232,842	42.5	123,478	22.5	109,364	20.0	82,500	15.0
Rice Lake	241,635	112,113	46.4	44,950	18.6	67,162	27.8	17,410	7.2
Rusk County	623,891	271,946	43.6	133,584	21.4	138,361	22.2	80,000	12.8
Sawyer County	1,301,017	590,638	45.4	255,023	19.6	337,892	26.0	117,464	9.0
Stevens Point	<u>1,642,373</u>	<u>771,587</u>	47.0	<u>295,955</u>	18.0	<u>475,631</u>	29.0	<u>99,200</u>	6.0
Subtotal Tier C Bus:	\$8,026,243	\$3,633,754	45.3%	\$1,583,217	19.7%	\$2,055,460	25.6%	\$753,812	9.4%
<b>Tier C Shared-Ride Taxi</b>									
Baraboo	\$316,305	\$87,681	27.7%	\$88,016	27.8%	\$0	0.0%	\$140,608	44.5%
Beaver Dam	891,050	327,608	36.8	251,575	28.2	76,033	8.5	235,835	26.5
Berlin	210,927	69,839	33.1	67,264	31.9	2,574	1.2	71,250	33.8
Black River Falls	240,592	70,296	29.2	70,296	29.2	0	0.0	100,000	41.6
Clintonville	130,074	47,367	36.4	37,181	28.6	10,186	7.8	35,340	27.2
Door County	665,897	218,299	32.8	214,535	32.2	3,764	0.6	229,300	34.4
Edgerton	56,090	24,108	43.0	12,351	22.0	12,289	21.9	7,342	13.1
Fort Atkinson	363,392	129,290	35.6	106,915	29.4	22,375	6.2	104,812	28.8
Grant County	70,413	30,532	43.4	15,237	21.6	15,294	21.7	9,350	13.3
Hartford	230,946	83,300	36.1	66,815	28.9	16,485	7.1	64,346	27.9
Jefferson	167,748	61,295	36.5	47,742	28.5	13,553	8.1	45,159	26.9
Lake Mills	76,721	32,920	42.9	16,949	22.1	15,971	20.8	10,881	14.2
Marinette	334,345	114,691	34.3	102,634	30.7	33,056	9.9	83,964	25.1
Marshfield	561,684	168,671	30.0	168,671	30.0	0	0.0	224,343	39.9
Mauston	177,069	61,535	34.8	53,560	30.2	7,974	4.5	54,000	30.5
Medford	134,670	53,598	39.8	33,938	25.2	19,660	14.6	27,475	20.4
Monroe	345,290	110,733	32.1	110,733	32.1	0	0.0	123,824	35.9
Neillsville	194,390	79,160	40.7	47,194	24.3	31,967	16.4	36,070	18.6
New Richmond	191,746	78,924	41.2	45,711	23.8	33,213	17.3	33,898	17.7
Platteville	227,368	92,184	40.5	55,605	24.5	36,579	16.1	43,000	18.9
Plover	174,598	60,618	34.7	52,871	30.3	15,242	8.7	45,867	26.3
Port Washington	269,834	103,542	38.4	71,850	26.6	31,692	11.7	62,750	23.3
Portage	1,373,570	436,777	31.8	456,044	33.2	2,749	0.2	478,000	34.8
Prairie du Chien	296,591	109,796	37.0	82,989	28.0	26,807	9.0	77,000	26.0
Prairie du Sac	123,933	48,011	38.7	32,545	26.3	15,786	12.7	27,591	22.3
Reedsburg	279,972	93,086	33.2	88,896	31.8	4,190	1.5	93,800	33.5
Rhineland	657,582	195,326	29.7	195,326	29.7	0	0.0	266,931	40.6
Richland Center	134,583	57,042	42.4	30,437	22.6	26,604	19.8	20,500	15.2
Ripon	296,769	101,634	34.2	91,266	30.8	10,938	3.7	92,931	31.3
River Falls	249,328	98,781	39.6	63,283	25.4	35,498	14.2	51,767	20.8
Shawano	272,764	105,791	38.8	71,506	26.2	34,284	12.6	61,183	22.4
Tomah	161,240	55,420	34.4	49,386	30.6	6,034	3.7	50,400	31.3
Viroqua	457,607	174,304	38.1	123,141	26.9	51,162	11.2	109,000	23.8
Waterloo/Marshall	53,288	22,471	42.2	12,167	22.8	10,462	19.6	8,189	15.4
Watertown	758,319	259,057	34.2	233,850	30.8	28,351	3.7	237,061	31.3
Waupaca	421,940	150,970	35.8	123,291	29.2	27,679	6.6	120,000	28.4
Waupun	99,983	39,686	39.7	25,303	25.3	14,383	14.4	20,611	20.6
West Bend	1,108,794	379,397	34.2	341,319	30.8	38,078	3.4	350,000	31.6
Whitewater	198,504	69,961	35.2	59,067	29.8	10,893	5.5	58,583	29.5
Wisconsin Rapids	<u>872,849</u>	<u>286,425</u>	32.8	<u>280,927</u>	32.2	<u>5,497</u>	0.6	<u>300,000</u>	34.4
Subtotal Tier C Taxi:	\$13,848,765	\$4,790,119	34.6%	\$4,098,383	29.6%	\$747,302	5.4%	\$4,212,961	30.4%
Subtotal Tier C:	\$21,875,008	\$8,423,873	38.5%	\$5,681,600	26.0%	\$2,802,762	12.8%	\$4,966,773	22.7%
STATE TOTALS:	\$318,769,288	\$57,078,742	17.9%	\$114,863,100	36.0%	\$55,517,313	17.4%	\$91,310,133	28.6%