

**ADVANCING PUBLIC TRANSPORTATION UNDER
THE BIPARTISAN INFRASTRUCTURE LAW: UP-
DATE FROM THE FEDERAL TRANSIT ADMINIS-
TRATION**

HEARING
BEFORE THE
COMMITTEE ON
BANKING, HOUSING, AND URBAN AFFAIRS
UNITED STATES SENATE
ONE HUNDRED SEVENTEENTH CONGRESS

SECOND SESSION

ON

EXAMINING THE UPDATE FROM THE FEDERAL TRANSIT
ADMINISTRATION ON THE BIPARTISAN INFRASTRUCTURE LAW

JULY 12, 2022

Printed for the use of the Committee on Banking, Housing, and Urban Affairs



Available at: <https://www.govinfo.gov/>

U.S. GOVERNMENT PUBLISHING OFFICE

WASHINGTON : 2023

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**ADVANCING PUBLIC TRANSPORTATION
UNDER THE BIPARTISAN INFRASTRUCTURE
LAW: UPDATE FROM THE FEDERAL TRAN-
SIT ADMINISTRATION**

TUESDAY, JULY 12, 2022

U.S. SENATE,
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, DC.

The Committee met at 10:04 a.m., in room SD-538, Dirksen Senate Office Building, Hon. Sherrod Brown, Chairman of the Committee, presiding.

OPENING STATEMENT OF CHAIRMAN SHERROD BROWN

Chairman BROWN. The Senate Committee on Banking, Housing, and Urban Affairs will come to order. The hearing is in a hybrid format. Our witness, Administrator Fernandez, is in person. Members have the option as always to appear virtually or in person. The Senator from Nevada, welcome, along with Ranking Member Toomey.

Last Thursday, I invited our witness, FTA Administrator Nuria Fernandez, to Columbus to see the excitement in the community as they plan to build one of the best bus rapid transit networks in the country.

Columbus is growing. If we pass the CHIPS Act, with Intel's investment in semiconductor production in central Ohio, it will grow even faster.

Investments from the infrastructure bill will help central Ohio prepare for more people, expand service, and connect more Ohioans with these exciting job opportunities with new bus rapid transit.

We visited the Wall Street—I am sorry. Not the Wall Street. We visited the West Broad Street—I know that. I have been on that street. I used to live half a mile from there. We visited the West Broad Street corridor with COTA's CEO Joanna Pinkerton. We saw the tremendous opportunity for fast bus service to downtown Columbus that will spur even more development and new affordable housing along the route.

Columbus is not alone.

Cleveland RTA has entered the Capital Investment Grants program for a new BRT route. Cincinnati is planning its own large BRT network. Nearby communities Pittsburgh in Senator Toomey's States and Indianapolis also have major BRT investments moving forward with FTA support.

For too long, the United States has not invested in public transit the way that we should. We have fallen far behind the rest of the world in new transit technology.

But with the bipartisan infrastructure law we are finally working to catch up.

The bipartisan infrastructure law included the largest investment ever in public transit.

It is not, though, just about the numbers. It is about what that investment will do, how this will matter in Ohioans' lives, and for people across this country.

It will connect more communities. It will mean faster service to more neighborhoods. It will open up new job opportunities, so workers are not limited by a bus that does not reach a job site or, as we have seen in this Committee with testimony, does not run on Sunday.

Right now, families are continuing to feel the pain of high gas prices because of Russia's attack on Ukraine.

But if there is a reliable bus or train nearby, workers simply do not have to choose between paying for gas or making rent.

It will make a difference, especially in so many communities that have not had reliable transit.

It is the Black and Brown communities who have been redlined, who have been cutoff from jobs by interstates that walled off their neighborhoods. It is rural areas where walking is not an option.

It is smaller cities and towns that have not been able to afford big extensive transit networks like big cities. I grew up in one of those small cities.

Alongside these opportunities, we know the transit industry faces challenges. High fuel prices hurt diesel bus operations, and like the private sector, transit agencies compete for qualified workers.

We are lucky to have an exceptional leader at FTA working to navigate these challenges and deliver on the promises in the infrastructure bill. That is certainly where Ms. Fernandez comes forward.

She has been in this job since last June. She is the first Senate-confirmed woman of color and first Afro-Latina to lead FTA.

She and her team have worked to deliver pandemic relief funding efficiently and quickly.

In the wake of the pandemic, workers are still adjusting their commutes. We need to preserve transit routes and help transit agencies keep their highly skilled workers on the job.

Administrator Fernandez is now focused on an even larger endeavor: implementing the most consequential investment in our transit infrastructure in a generation.

FTA has moved quickly to help more communities get new, state-of-the-art zero-emission buses on the roads.

It is important in our fight against climate change; it is going to clean up the air in our communities; it is going to mean new, modern buses for Americans to ride.

FTA has made it easier for agencies to apply by combining the Low-No Bus application with the traditional bus program.

FTA has worked to get funding for transit construction out the door under the Capital Investments Grants program and to help our rural communities improve their options.

As long as I chair this Committee, workers will always have a seat at the table. The Administrator has maintained that same commitment. Thank you, Ms. Fernandez, for giving transit workers a strong voice at FTA. She is working to ensure workers have the training needed for the next generation of service.

Finally, FTA has continued its sharp focus on safety. On this Committee, we have always strongly and bipartisanly supported safety efforts. I have worked with Ranking Member Toomey, I have worked with Chairman Crapo on safety issues, including in the infrastructure bill.

Administrator Fernandez, I look forward to your testimony.
Senator Toomey.

OPENING STATEMENT OF SENATOR PATRICK J. TOOMEY

Senator TOOMEY. Thank you, Mr. Chairman. Administrator Fernandez, welcome.

Today we will hear directly from the FTA on implementation of last year's infrastructure law. As I have stated before, we should not pay for an infrastructure package by borrowing billions more dollars, but that is precisely what happened with this law. It authorized so much new spending that \$118 billion had to be transferred from the Treasury's general fund to the Highway Trust Fund, which is a specific account financed with Federal gas tax revenue to cover mass transit and highway construction costs.

President Biden would make this shortfall worse by suspending the Federal gas tax for 3 months, reasoning that the solution to high gas prices is not more supply but, rather, more debt. I would suggest if we want to help commuters and families suffering from inflation, we could start by reversing the Administration's actions that keep up from using America's own fossil energy.

But back to infrastructure. Federal spending certainly should be driven by a reasoned assessment of our Nation's needs. However, last year's infrastructure law seems in many ways to have been driven more by Democratic political imperatives.

The bill funneled billions to projects that the private sector has been more than willing to fund, such as ferries and electric vehicle charging stations. Transit was given \$108.1 billion over a 5-year period.

Now, to put that number into perspective, it is almost twice what transit got in the last surface transportation reauthorization, and this staggering sum is on top of the nearly \$85 billion given to transit during just 1 year of the COVID pandemic, the vast majority of that money characterized as "emergency spending" to offset COVID losses. In fact, that nearly \$85 billion exceeded the combined annual operating and capital costs of all transit agencies in the United States of America combined.

Now, at the time Democrats tried to justify paying for more than 100 percent of transit agency budgets by saying that transit systems would collapse from declines in ridership and a collapse in State and local tax revenues. Except that State and local tax collections set an all-time new record in 2020, which was then exceeded in 2021. And on top of this all-time record tax revenue collected by State and local governments, Congress gave States more than \$850 billion to deal with COVID relief issues.

But worse still, billions of dollars will go to transit agencies that were facing systemic ridership declines well before COVID. Since reaching a high of 10.7 billion trips in 2014, transit ridership has steadily fallen, fell by almost 8 percent in 2019 alone, before COVID. And the last 2 years saw much steeper declines. Ridership fell at some agencies by over 70 percent. According to FTA, ridership now is only about 60 percent of prepandemic levels. Some estimates predict ridership will never fully return to prepandemic levels. Agency leaders in New York, Pittsburgh, and Washington have all said many of their riders simply will not return. And even transit agencies that are predicting ridership to return to prepandemic levels do not expect that to happen this decade.

So why give away still more taxpayer money to agencies serving far fewer riders?

Well, shockingly, the FTA is allowing transit agencies that are seeking Federal funding for projects to expand transit systems to use prepandemic ridership data from 2019. Transit agencies' largest source for expansion projects is FTA's Capital Investment Grants program, known as CIG.

Now, there are transit agencies seeking millions, even billions of Federal taxpayer funding for CIG projects to expand streetcars, commuter rail, light rail, bus rapid transit. And to justify their funding request, FTA has been allowing these transit agencies to use prepandemic data on ridership from 2019 and 2020. This boggles the mind. Transit ridership was already in decline pre-COVID, and transit agencies are publicly admitting that their ridership will not recover to prepandemic levels for over a decade, if ever. So Federal taxpayers will build out transit system expansions to serve ghost riders, which, of course, will also have the effect of increasing long-term maintenance backlogs.

I have no doubt that a few years after these projects are completed, transit agencies will come back to Congress pleading for still more subsidies to operate systems that have become far too large for the demand.

Also concerning is FTA's willful disregard of an important feature of last year's infrastructure law. The law requires agencies to make progress on their deferred maintenance backlogs in order to qualify for CIG grants. But FTA plans to allow agencies to qualify for CIG grants even when they are actually falling further behind on their overall deferred maintenance targets. That is no way to protect taxpayers nor to follow the law.

And speaking of protecting taxpayers, people should feel safe while using transit. As I stated at our last transit hearing, the rising rates of crime on transit systems are deeply disturbing. Unfortunately, it does not appear that FTA is taking this issue nearly seriously enough.

Let me conclude with this observation: I understand it is certainly not entirely transit agencies' fault that some people are choosing not to use their services. But that does not mean that Congress should be throwing even more billions of Federal taxpayer dollars at them to build out more services for riders they do not have.

I look forward to discussing the future of mass transit today. Thank you, Mr. Chairman.

Chairman BROWN. Thank you, Senator Toomey.
 The Chair recognizes for 5 minutes Administrator Fernandez.
 Welcome back to our Committee. Thank you for your service.

**STATEMENT OF NURIA FERNANDEZ, ADMINISTRATOR,
 FEDERAL TRANSIT ADMINISTRATION**

Ms. FERNANDEZ. Thank you, Chairman, and good morning. Chairman Brown, Ranking Member Toomey, and Members of the Committee, it is really a pleasure to testify today on the progress that the Federal Transit Administration has made in implementing the bipartisan infrastructure law.

First, I want to express my gratitude to this Committee for advancing my nomination as Administrator of the FTA. It is really the privilege of a lifetime to lead FTA during such a critical time for public transit.

Just over a year ago, COVID-19 was still ravaging transit systems nationwide, impacting every aspect of the industry. And we greatly appreciate Congress providing about \$70 billion in relief funding for communities nationwide in response to this crisis. These funds made certain that Americans had the lifeline they needed and were essential to our economy, preserving hundreds of thousands of jobs at transit agencies and along the extensive supply chain that manufactures and maintains transit vehicles, facilities, and more. Transit helped keep America open.

Now, ridership is about 60 percent of prepandemic levels and it is climbing every day. Recognizing the importance of transit to so many communities, Congress has entrusted FTA with up to \$108 billion in funding over the next 5 years. And we do not take that responsibility lightly.

Today I will highlight FTA's progress in delivering on the promise of the bipartisan infrastructure law and our plans for the future.

On safety, Secretary Buttigieg has said, "Safety is our North Star," and every transit rider deserves a safe, secure, and reliable trip, and every transit worker must be able to conduct their duties without fear of assault or injury. And we are doing everything in our power to improve safety throughout the industry.

Many transit agencies are now required by law to establish safety committees with equal representation of management and front-line workers, and we expect those to be in place by July 31st. Then by the end of the year, all agencies in urbanized areas must update their agency safety plans to comply with the BIL requirements, including approval by the safety committee, if applicable.

We are also expanding our data collection regarding assaults on transit workers. These actions will give FTA more information than ever before on the scale of transit safety needs and more resources to address those needs.

On workforce development, worker safety is a particular concern, so protecting and expanding the transit workforce is a top priority of FTA. They just do not need safety throughout, but also transit workers need help. They need more coworkers and more apprentices.

Thanks to the dedicated funding from Congress, FTA established a Transit Workforce Center last September. The center has already

reached thousands of people and several hundred transit agencies with targeted technical assistance to help recruit, train, and upscale their workforce.

On funding, another critical aspect to ensuring the safety of our transit systems is to improve the state of good repair of transit assets from rails in New York to wheels in Cincinnati, and that is why FTA acted swiftly to make over \$13 billion in fiscal year 2022 formula funding available shortly after the 2022 Appropriations Act unlocked that funding. We are delivering the remaining 2022 funding as quickly as possible with Notices of Funding Opportunity already issued for seven out of our ten competitive programs. And this summer we anticipate NOFOs for the other competitive programs.

On equity and accessibility, regarding the All Stations Accessibility Plan, I want to thank the Committee and Congress for providing the resources to start making headway in the backlog of nearly 900 transit rail systems that remain inaccessible 32 years after the passage of the ADA. Our focus on equity is not only with big cities, though. Far from it. FTA has supported transit in rural and tribal areas for decades. It is precisely in those areas where transit can make all the difference for a senior citizen aging in place or a veteran who needs care at the VA.

In closing, going forward, the transit industry will adapt to meet the changing needs of our Nation, but I want to take this opportunity to reiterate that, despite the challenges of the pandemic, the core value of transit is unchanged. Over the next 5 years and beyond, all of us at the FTA are excited to continue working with this Committee and all the communities in your States and across the Nation who rely on transit to invest the historic funding from the bipartisan infrastructure law effectively and equitably.

Thank you, and I will be happy to answer any questions.

Chairman BROWN. Thank you, Administrator Fernandez. Thank you for coming to Columbus last week and visiting the West Broad Street corridor. I know we will see additional requests for BRT funding from a number of Ohio communities in the coming years.

The bipartisan infrastructure law provided \$8 billion in advance appropriations for the CIG program, including significant funding for these BRT projects under the Small Starts category. As you know, we do an 80 percent Federal share for highway projects, yet the Federal Government rarely contributes that much for transit projects.

Should FTA give a greater Federal share on CIG projects where the law allows?

Ms. FERNANDEZ. Mr. Chairman, under the leadership of this Committee and the work of the bipartisan infrastructure law, there was an increase of up to \$23 billion in the funding for transit capital investment over the next 5 years, so that is a doubling. And with the sustained investment in the revisions to the Small Starts eligibility, the past year alone we have seen a 150 percent increase in the pipeline of projects, Small Starts projects, entering the CIG together with the New Starts projects, core capacity, and expedited project delivery.

Half of the current projects in the CIG are for Small Starts, so I have heard from the project sponsors, especially from smaller and

mid-sized cities, that local match can present a problem. And we are working very closely with them as the applications become available and are complete to assist them with identifying not only what their needs are from a financial perspective, but what is the amount of Federal funds that will be available and we can make available to them.

Chairman BROWN. OK. Thank you. In your testimony you stated this summer the FTA will be initiating the major competitive programs established by the new infrastructure law, the All Stations Accessibility Program and the Rail Vehicle Replacement Program. The Greater Cleveland Regional Transit Authority has made significant progress in making its rail stations accessible to riders with disabilities, but the agency has 17 remaining stops and stations that are not ADA compliant. These investments are long overdue. The Cleveland RTA is another very pressing problem. The replacement of its—or problem and project, the replacement of its entire rail car fleets. Agencies like Cleveland and Philadelphia, the Ranking Member's largest city in his State, have rail cars that date back to the Carter and Reagan administrations. That means many rail cars are in excess of 40 years old.

Is it possible for FTA to have awards out for these programs later this calendar year?

Ms. FERNANDEZ. Mr. Chairman, as a matter of fact, we are going to be issuing a Notice of Funding Opportunity for the All Stations Accessibility Program this summer and hope to have selections announced by the end of this year.

Regarding the Rail Vehicle Replacement Program, as you noted, the largest of the transit agencies, particularly the legacy agencies, have vehicles that have exceeded their useful life, and that affects the timely delivery of service and also impacts schedule. We will be issuing a Notice of Funding Opportunity for that program this fall and hope to make the selection announcement early next year.

Chairman BROWN. Thank you. My last question. I have heard from two agencies in Ohio—SORTA in Cincinnati, Southwestern Ohio Regional Transit Authority, and Akron Metro—that they are having issues on proposed projects. FTA over the years has created more than one type of categorical exclusion under NEPA. I am a strong supporter of the environment. I know you are. But a categorical exclusion should be simple and easy to apply for, particularly for transit projects that almost by definition help the environment. These agencies face challenges with the Uniform Relocation Act and appraisal requirements. These issues are more challenging pretty obviously for small- and medium-size agencies. Thank you for looking at these issues.

Can FTA please continue working to find solutions to help these agencies and any other projects that face similar challenges?

Ms. FERNANDEZ. Yes, Mr. Chairman, we certainly can and have made ourselves available through our regional offices to work very closely with grantees as they are considering building new systems, extending existing systems, and going through the NEPA process.

We also offer free courses through the National Transit Institute, but as you stated, there are a lot of challenges, particularly for the small operators, and we will continue through our regional offices

to provide that service and make ourselves available to guide them as they are going through the process.

Chairman BROWN. Thank you. I said that was my last question, but I will ask another since your answers are shorter than most witnesses' answers. When we were on the bus last Thursday in Columbus, we talked about how agencies are approaching the use of battery electric and hydrogen-powered buses. As we discussed, the city of Canton, Ohio, is the Nation's leader in hydrogen buses. What are you hearing from the industry? And how is FTA helping agencies consider both those technologies?

Ms. FERNANDEZ. You know, it is exciting to hear that the industry overall is making transitions. A lot of them have already preemptively taken advantage of formula dollars to start transitioning their fleets. And in the bipartisan infrastructure law, as you may know, Mr. Chairman, the increase in funding is also going to make available specific percentages, 25 percent, for low-emission vehicles, and we are seeing from members of the industry that they are pursuing the type of technology that is going to reduce greenhouse gas with a type of technology that can better address their needs in the locations that they are.

Chairman BROWN. Thank you.

Senator Toomey.

Senator TOOMEY. Thank you. Thank you, Mr. Chairman. And, Administrator Fernandez, welcome. And just for the record, the Chairman's observation that your answers tend to be shorter than those of most witnesses is a very high compliment here in the Senate.

In your written testimony, you highlight that Secretary Buttigieg has said that "safety is DOT's North Star." But despite having far fewer riders, New York, L.A., Chicago, and Philadelphia, among others, are all seeing spikes in transit crime. Even New York City's mayor, a former cop, said he does not feel safe on the subway.

Now, you mentioned that every transit rider deserves a safe, secure, and reliable trip. Transit agencies, as I mentioned during my opening comments, received staggering, extraordinary amounts of Federal taxpayer funding recently, including funding that can be used for security and to combat crime.

So my question is: How much of all of this money that we have recently delivered to transit agencies is actually being used to reduce the spike in crime that is occurring on our transit systems?

Ms. FERNANDEZ. Senator Toomey, every transit agency is committed to safety, as is the U.S. Department of Transportation. And what we are experiencing, what transit agencies are experiencing in this time is a result of many factors. Given the pandemic, the effect that that has had on loss of life and livelihood, we have received an increase—

Senator TOOMEY. I have got limited time. I understand there are many factors contributing, but my question is: How much of the resources, the huge amount of new resources we have provided, is being used to address this spike in crime?

Ms. FERNANDEZ. The transit agencies have access to their formula dollars, and those dollars increased by 30 percent, and they are applying those dollars toward all of their programs, including safety. They are required—if you are looking for specifics, I would

be happy to provide you with a specific number. I do not have a number in front of me.

Senator TOOMEY. I would appreciate it if you would. I would like to know, first of all, that the FTA is, in fact, tracking the amount of money that is being spent to make our dangerous subway systems less dangerous and how much that is.

But it is also my understanding that in most cities fare evasion is a crime, and experience has shown that cracking down on fare evasion reduces the incidence of criminal activity in the subway systems.

Does FTA collect data on fare evasion?

Ms. FERNANDEZ. The National Transit Data base does not collect information on fare evasion. It does collect the information on how much of the fare ratio of the—the collection of fares—I am sorry, not the collection of fares, but what the operating budget for each of the agencies, what it constitutes, how much is generated by fares and how much is—

Senator TOOMEY. OK. But you—

Ms. FERNANDEZ. —generated by other resources.

Senator TOOMEY. —acknowledge that there is a correlation, a high correlation between fare evasion and criminal activity on subway systems?

Ms. FERNANDEZ. There is a correlation between many factors that affect—

Senator TOOMEY. Yeah, but this is an obvious one. People are choosing not to pay their fare. They are breaking the law. And then, not shockingly, some of them go on to break other laws because they are, after all, lawbreakers. I just think that fare evasion is an important violation of the law that the FTA should be tracking. But you do not track it.

Ms. FERNANDEZ. Senator Toomey, we do not track fare evasion. Transit agencies, as you may know, some of them have open fare; others have fare gates. So they all collect their fares in a very different manner, and the information that is provided to us really has to do with the resources—the sources of funds that build their budgets.

Senator TOOMEY. OK. Let us go on to the topic of the Capital Investment Grants. Last year's infrastructure law requires that transit agencies make progress on their deferred maintenance of their transit systems in order to be eligible to receive a CIG grant. And the idea, obviously, is to help protect Federal taxpayers and ensure that CIG funds are not being spent on large capital projects for transit agencies who are not even properly maintaining their existing systems.

My concern is that the new interim guidance that the FTA has put out really makes a mockery of this requirement from the statute. As you know, there are four categories of assets on which there are deferred maintenance backlogs: rolling stock, equipment, facilities, and infrastructure.

Your interim guidance allows a transit agency to make no progress whatsoever—in fact, could go backwards—on three out of the four. And then on the fourth, which is rolling stock, there are 26 different types of rolling stock assets, and under your interim guidance, an agency can be losing ground on deferred maintenance

on 25 of the 26, if they had that many. As long as they are making some progress on one of them, then that is deemed to qualify them for this progress requirement. This does not seem like a faithful implementation of the law.

So could you explain, what is the justification for ignoring 75 percent of the categories of assets when they actually account for a very large portion of deferred maintenance?

Ms. FERNANDEZ. Senator Toomey, first of all, thank you and this Committee and the Congress for including that requirement in the bipartisan infrastructure law. I think it is very important that all transit agencies have, in fact, a process for identifying the state of their assets, the life cycle of those assets and when they need to be replaced. The additional requirement of a transit asset management and tying that requirement to the Capital Investment Grant approvals is—we put out guidance for that early this spring and received public comments. We have taken those comments and, in particular, the ones regarding the targets and how to—we will be publishing a final implementation in the very near future that is more specific.

Right now we continue to evaluate the various categories of the assets and how they are being monitored or being rated through their condition. And one of the things that we do know is that transit agencies, when they are applying for a Capital Investment Grant program, we do a thorough review of their budgets; we do a thorough review of their capital programs; we do a thorough review of their ability to continue operating the systems that they have.

Senator TOOMEY. OK. Well, I am out of time, but I just want to point out that it is impossible for me to understand how it is a faithful implementation of the law to systematically exclude the vast majority of deferred maintenance categories. And I know that it is an interim guidance. I am certainly hoping that the final guidance will address a much more comprehensive category of deferred maintenance as is intended by the statute.

Thank you, Mr. Chairman.

Chairman BROWN. Thank you, Senator Toomey.

Senator Menendez of New Jersey is recognized.

Senator MENENDEZ. Administrator Fernandez, welcome. You and I have had multiple conversations about the Gateway program in the past. Broadly, Gateway aims to modernize the rail interference along a 10-mile segment of the Northeast Corridor connecting New Jersey to New York Penn Station. This is a critical stretch of track that carries over 200,000 daily Amtrak and New Jersey transit passenger trips on approximately 450 trains and is the linchpin of the entire Northeast Corridor, a region that accounts for over 20 percent of GDP of the Nation.

The Federal Transit Administration's Capital Investment Grants program is the primary Federal lending source for Phase 1 of the Gateway program, which includes building a new Portal North Bridge, which ultimately is critical for going from Boston all the way to Washington, and new rail tunnels under the Hudson River. The existing century-old tunnels were badly damaged by Superstorm Sandy and are in dire need of replacing.

Now, I appreciate the Biden administration's continued support for the Portal North Bridge project, which has already signed a Full Funding Agreement with FTA, and the work that has been done to move the Hudson River Tunnel project toward an FFGA as well. The FTA's annual funding recommendations report released with the President's fiscal year 2023 budget recommends for the first time that the Hudson River Tunnel project receive \$100 million in CIG funding in fiscal year 2023.

So, Administrator, can you speak for a moment about the importance of the Hudson River Tunnel project and what went into the determination that it should receive funding in fiscal year 2023?

Ms. FERNANDEZ. Yes, Senator Menendez. Last fall, the Hudson Tunnel project partners made some significant improvements by finalizing their first step, which was the financial plan, and by updating that we were able to then rate the project medium high onto the CIG program. And this rating is what resulted in the recommendation in the President's budget for fiscal year 2023 for the funds that you noted.

This project is a project of regional significance, and it is currently in the project development phase. There are still several steps that need to be achieved in order for it to be considered for a Full Funding Grant Agreement, but nonetheless, just last week, the partners, the project partners—the State of New York, New Jersey, and the port authorities—signed a memorandum of understanding with the Gateway Development Commission, which, in fact, outlines the payments that they are going to be contributing toward the Portal North Bridge project in addition to the Hudson Tunnel. And that is a good step in the right direction. They have also hired an executive director of the Gateway Development Commission, and that will then set the stage to stand up the entity that will become the designated recipient for Federal funds to deliver that project.

Senator MENENDEZ. Yes, they have made significant progress. Does the Hudson River Tunnel project remain on track to eventually receive fiscal year 2023 funding?

Ms. FERNANDEZ. There are several other steps following the project development where they currently are. They need to then request entry into engineering, and it is at that stage that the Federal Government would lock in the Federal contribution to the project.

Senator MENENDEZ. Now, you said it was a project of regional significance. It certainly is. I would say it is a project of national significance. When you have 20 percent of the entire Nation's GDP generated by the region and this is a linchpin to mobility for businesses to get workers to work and for people to go to hospitals and a whole host of other things, I think it is a project of national significance.

Now, I understand—I heard Senator Toomey question the need for strong Federal support for transit due to lower ridership during the pandemic. The Regional Planning Association recently released a report that confirms the continued need for the Gateway project and found that trans-Hudson ridership would return to or exceed prepandemic levels by the time the new Hudson River Tunnels are

built and would exceed prepandemic levels by 15 to 32 percent by 2050.

So, yes, our transit agencies, like other industries, were hard hit by the pandemic, but the fact remains that transit will remain a vital and growing part of our transportation mix. And I am proud of the much-needed investments that the bipartisan infrastructure law makes in modernizing our transit systems.

Let me turn to one other subject. I have long been an advocate of transit-oriented development because I have seen the transformative effect that it can have on communities, going back to my time as mayor in Union City. When properly planned and executed, it can bring significant new investment to communities, providing new economic opportunities for families and business owners while ensuring affordable housing for residents.

The bipartisan infrastructure bill expanded a pilot program that I helped create several years ago, and I appreciate the FTA announced the availability of \$13 million for the program for fiscal year 2022.

Do you believe that further strengthening the linkages between transit, affordable housing, and economic development can help to create more livable, walkable, sustainable communities?

Ms. FERNANDEZ. Yes, I do, Senator Menendez. As a matter of fact, public transportation is about people, and the models that are used to determine where public transportation should provide service are models that are driven by origin and destination. So housing, affordable housing, to keep individuals close to high-capacity transit centers with high-quality transit service is definitely a need. And the transit-related development, which encourages the public-private partnership through joint development as well would see investments along corridors where transit currently exists and also create that density that is necessary, that in-filling that is necessary to support the continued growth of communities.

Senator MENENDEZ. Thank you very much. Thank you for your service.

Chairman BROWN. Thanks.

Senator Cortez Masto of Nevada is recognized.

Senator CORTEZ MASTO. Thank you. And, Administrator Fernandez, thank you for being here as well.

Let me follow up on what my friend and colleague Senator Menendez was talking about when it comes to this nexus between transit and housing. Just recently, I sent a letter to DOT and FTA about implementing my Better PLAN Act, which passed in the infrastructure bill, and what the legislation really does, it requires more consideration of housing in transportation planning and establishes a voluntary housing coordination process that MPOs and local governments can undertake to align transportation investments with increased housing supply.

I guess my first question to you is: Can you confirm that the Department is working on a response to my letter and the implementation of my legislation within the bipartisan infrastructure package?

Ms. FERNANDEZ. Yes, we are, Senator Cortez Masto. As a matter of fact, we are currently working with our partners at the U.S. Department of Transportation to implement the housing coordination

plan provision. That is going to help Metropolitan Planning Organizations put more emphasis on regional goals for integrating housing, specifically affordable housing and transportation into their economic development plans.

We also have a working group with the Department of Housing and Urban Development all geared toward our Thriving Communities effort, and that interagency group is going to be focusing primarily on the housing—that intersection of housing and transportation to help advance the needs of what we have already deemed is one of the highest costs to a household, transportation is, followed by housing. And if we can keep affordable transportation and affordable housing in the same corridors, I think that would help save a lot of dollars in taxpayers' wallets.

Senator CORTEZ MASTO. Thank you. I appreciate that.

I also want to highlight the aspects of the bipartisan infrastructure bill that truly involve climate change. It really is a climate bill, and we provided over \$5.5 billion in emission reduction transit investments for buses in this country, which I can say is vital given the environmental concerns we are tackling in Nevada from wildfires to severe drought. And that is not even counting the billions for cleaner school buses and the change I made or was able to get to provide EV charging eligibility through transit formula dollars.

I have seen firsthand the amazing impact that this money has made in my State. I was just recently in Reno, Washoe County, with the Regional Transportation Commission. They have a fleet of over 70 buses. We waved goodbye to the last diesel-fueled bus there. And what they have implemented and we were celebrating was the complete retirement of their dirtier buses. And they are 13 years ahead of schedule, and that is a benefit, not just to that community but to the many families that live and breathe the air within that community as well.

And so as you are implementing the bipartisan infrastructure law, what do you see as the future prospects of sufficient and expanding domestic manufacturing of cleaner transportation technology such as electric buses and the batteries powering them?

Ms. FERNANDEZ. Senator, there have been some challenges with the implementation and then the availability, but what we are seeing is that manufacturing has stepped up. There is going to be an increase in the number of manufacturers that are going to be helping deliver electric vehicles, electric charging stations, in addition to building up on that supply chain. We have a long-term goal, and that long-term goal is to transition all buses, all public transportation buses, to a cleaner, greener technology. And the funding that was made available through the bipartisan infrastructure law specifically for the bus and low and no emissions, in addition to the formula dollars available to transit agencies, is going to help us get there. So we are highly encouraged. Yes, there have been some supply chain challenges, but we see those as short term. But in the long term, the plan is that transit agencies, like the ones you have referenced, that have really stepped up and developed plans, and we are also helping those who have not developed a plan to create a transition plan for their fleets.

Senator CORTEZ MASTO. Thank you. And then, finally, talk a little bit about workforce measures, because you started that conversation or you touched on it in your comments. Are we building the necessary pipeline we need around workforce and bringing the workforce along with us as part of this bipartisan infrastructure package to create these opportunities in this new innovation economy that we are seeing?

Ms. FERNANDEZ. Yes, we are certainly targeting that, because we recognize that really the workforce is the one that is going to make the significant difference in not only delivering service but maintaining, and then we also have the manufacturing side of our industry that needs to be able to generate the assets that are used for ferries, trolleys, buses, and trains.

The Federal Transit Administration last year created the Transit Workforce Center in recognition that the transit industry is experiencing what is known as the “Silver Tsunami,” and we have such a large percentage of transit workers that could retire in the next 5 years. And recognizing that we still need to continue providing service and that that service is now going to take us into communities where we are going to be closing transit deserts and we are going to be trying to access and provide a higher-quality service, the Transit Workforce Center is—will be focusing on the recruitment, training, and retention in addition to upskilling with the transition from combustion emissions engines to the electric, and also with apprenticeships, creating apprenticeship programs and working very closely identifying opportunities with local community colleges and Job Corps and others to start building that pipeline, because we have to build it, and we have to build it quick.

Senator CORTEZ MASTO. Thank you.

Chairman BROWN. Thank you.

Senator Smith of Minnesota is recognized.

Senator SMITH. Thank you, Mr. Chair. Administrator Fernandez, it is so good to see you again. It was almost exactly a year ago, I think, that you came to Minnesota for the field hearing for the Housing Transit Subcommittee. Mr. Chair, we had a really terrific field hearing talking about transit issues in Minnesota. And I greatly appreciated you taking the time to come and talk with our local leaders and community leaders about our transit needs. So thank you so much for that again.

I want to actually follow up on something that my good friend and colleague from Nevada was just talking about. The bipartisan infrastructure law has already put millions of dollars into transit systems around the country for building new lines, replacing buses, and improving transit infrastructure. And these dollars are supporting transit agencies that are pursuing clean energy through low- or no-emissions vehicles. This is an issue close to my heart because companies like New Flyer in Minnesota are working very hard to meet this increasing demand for zero-emissions buses.

But like all bus manufacturers, there is a shortage of microchips, which is making it hard to fill orders in a timely way. This is something that I have been hearing about from Minnesota transit agencies in advance of the subcommittee hearing we had on this issue earlier this year.

So we have heard a lot of talk here in Washington about the impacts of the chip shortage on the car market, but I think it is important to pay attention to its impact on transit also. So can you talk to me a little bit about this, Administrator Fernandez? Is the FTA focusing on this? What is the impact of the chip shortage on our capacity to implement the bipartisan infrastructure law?

And then just as a follow-up, it seems to me, Mr. Chair, that if we could enact USICA, the competitiveness bill, this would be another benefit of that for transit in the United States as well. But could you just talk to this chip shortage and its impact on transit?

Ms. FERNANDEZ. Yes, and, Senator, I am so glad you referenced the field hearing, because it was really my distinct pleasure to join you there and talk about the great things that are happening in your State as well.

As we have all noted, the supply chain for manufacturing, particularly around the metals and minerals needed for this transition to zero emission, has been one that has been highlighted, and DOT continues to be one of the lead agencies on the White House Supply Chain Disruption Task Force.

Senator SMITH. Right.

Ms. FERNANDEZ. I am very encouraged by the progress that has been made, and, you know, as I stated earlier, the focus on how we get our systems operational, get the tools, get the materials and equipment that is necessary, the components that are necessary, is something that is of high attention, has garnered high attention at the DOT. The American manufacturers are all stepping up. As I noted, there is about \$80 billion in planned investments in semiconductor manufacturing and more than \$100 billion in announced investments in electric vehicles. So those will help keep pace—once those investments continue to be made, will keep pace with the applications that transit agencies are submitting. We issued the Notice of Funding Opportunity for bus bus facilities. It was a combined NOFO that also included the low- and no-emission vehicle procurement. And that closed at the end of May, and we will be announcing the selections of those. That means that we will have hundreds of new buses that are going to be manufactured, and the industry is stepping up to meet that challenge.

Senator SMITH. That is fantastic. We want these buses manufactured in the United States, and the more that we can have the components for these buses, including microchips, also manufactured in the United States, I think we are going to be much better off. And I think it goes to the importance of passing USICA.

In just the couple seconds that I have left, I want to ask you about something related to equity. Now, transit we know is a vital tool for advancing equity in disadvantaged communities. It is the way in which people get to their jobs, to their educations, they get their groceries, they get their health care. But we also know that transit can be harmful to communities that are displaced—as the construction happens, that there is displacement of economic and cultural corridors, and it can be very hard on small businesses.

I am really proud of the work that the Met Council in Minnesota and Hennepin County have done on the Bottineau extension in Minnesota, which is they created an antidisplacement work group that is organized to mitigate the issues of displacement as transit

is being constructed. I think that bringing this kind of equity lens to transit is really important, and I appreciated our conversations about this when you were in Minnesota.

Could you just address this briefly, Administrator Fernandez? What is the FTA doing to think about expanding access to contracts, for example, and addressing the direct needs that we have around small- and minority-owned businesses impacted by transit and creating opportunities for them?

Ms. FERNANDEZ. Yes, and thank you for that question, because as you may know, equity is one of the highest priority considerations. We want to make sure that transit in itself is an equalizer and provides that opportunity and access to all. As we think about development that happens in communities, and particularly development that involves Federal investment in land that is now going to be part of a transit-oriented development or joint development project, the emphasis on the relocation act, working closely with the community, the outreach that transit agencies have to document for these changes, and also what type of mitigations are going to be included in the project, those are all part of the NEPA process, but in addition to that, it is part of building that partnership with the community where this new investment is going to take place.

As it relates to the small and disadvantaged businesses, we have our small and disadvantaged business programs following the regulations that are in place. We will be updating those because we want to see more small and disadvantaged businesses be part of the great investment that the bipartisan infrastructure law is bringing to transit agencies across the Nation.

Senator SMITH. Thank you very much.

Thank you, Mr. Chair.

Chairman BROWN. Thank you, Senator Smith.

Senator Sinema from Arizona is recognized from her office.

Senator SINEMA. Thank you, Chairman Brown, and thank you to Administrator Fernandez for joining us today.

The bipartisan infrastructure law represents a historic investment in our national transportation infrastructure needs that will update and modernize our highways, bridges, airports, railroads, and public transit systems. The law invested \$176 million in public transit in Arizona just for 2022 with nearly \$100 million going to the Phoenix Mesa metro area and \$23 million for the Tucson metro area.

The Federal Transit Administration has a crucial role to play in disbursing these funds from the bipartisan infrastructure law to make sure the money is distributed equitably and consistent with the provisions of the law. I look forward to working with you and with my colleagues on this Committee to continue to advance implementation of the bipartisan infrastructure law to help Arizona families and small businesses get ahead.

Administrator Fernandez, thank you for your public service in transportation, but I thank the FTA for the Full Funding Grant Agreement awarded to Phoenix Valley metro system for the Northwest extension light rail project earlier this year. This extension of the metro light rail will expand the light rail system across Interstate 17 and encouraged redevelopment at the Metro Center site.

Looking forward, I am interested in hearing more about the roll-out of the low- and no-emissions bus program, particularly in a challenging climate such as the Phoenix metro area. Valley Metro in the city of Phoenix has prioritized fleet transition planning, the purchase of zero-emission buses, and construction of electric vehicle charging infrastructure, and I hope the FTA will again partner with Valley Metro on this project.

Now, what advice would you offer to Valley Metro as it pursues transitioning its bus fleet to electric power?

Ms. FERNANDEZ. Senator, good day, and, yes, Valley Metro has really done some terrific things in transforming the corridors that they are providing service in.

As it relates to the transition to low- and no-emission vehicles, one of the first things that our regional offices, working very closely with all of our grant recipients, have been doing is reminding them that in applying for the zero-emission, that they are required to have a transition plan. And we have provided a template for how that transition plan can be developed. We are not prescriptive, but we certainly want to provide a road map for the development of that plan. And in the law, there were very specific six points that had to be addressed, six areas that had to be addressed.

So my recommendation is that if the transition—if they are in the process of developing a transition plan, our regional office is available to provide technical assistance. If they have a transition plan and tie that transition plan to their capital programs so that it connects with the Notice of Funding Opportunities that we would be putting out every year, and they can build upon that replacement and achieve their goals of bringing cleaner vehicles to their community.

Senator SINEMA. Well, thank you. On May 20th of this year, the Tempe Streetcar opened to the public. The streetcar received Federal grants, regional funding, and support from a public-private partnership involving the city of Tempe, Arizona State University, and local property owners. The Tempe Streetcar supplements the existing Valley Metro light rail to better enable local residents and ASU students to navigate and reach destinations in downtown Tempe. A combination of local businesses, office complexes, city parks, art facilities, and sports venues are served by the light rail and streetcar.

How can the Tempe Streetcar serve as a model for other cities looking to make their communities more adaptable for residents' desire to work, live, and play in one location? And how can the Federal Transit Administration assist communities in these efforts?

Ms. FERNANDEZ. Senator, the example of the Tempe Streetcar is a great one because each community needs to identify the type of mobility, the type of public transportation system that best serves them. In some communities it would be the bus; in others it would be a trolley; in others it would be on-demand service. So this is a model of really listening to the community, working with the community, and identifying what the best solution for mobility that can be brought to that community. So thanks for elevating the Tempe trolley.

Senator SINEMA. Well, thank you. You know, the bipartisan infrastructure law increased our Federal public transit investment in

communities of all sizes, and I am particularly proud of a provision I worked on with Senator Moran to increase funding to small transit-intensive cities. These are cities in Arizona like Flagstaff and Yuma of 100,000 residents but high-performing transit systems. For example, the Mountain Line in Flagstaff provided over 1.1 million rides last year across its ten bus routes. Meanwhile, Yuma's bus system took nearly 254,000 trips in the fourth quarter of 2021 alone.

Can you describe the importance of public transit investment in these types of smaller and transit-intensive cities?

Ms. FERNANDEZ. Thank you for that question, Senator Sinema. Public transportation really serves all communities, but the smaller communities and cities that are separated by great distances, there is an absolute need for public transportation. We know that the services are not as frequent as in urbanized areas, and, therefore, having sufficient access to, whether it is on-demand paratransit services for individuals with disabilities, on-demand services for seniors who have decided to age in place, or veterans that need access to the VA clinic or the community as a whole, is crucial. In so many of these communities, public transportation, especially in rural areas, is a lifeline. And just like we may own a vehicle and know that it is there even if we do not use it every day, knowing that there is a public transportation system that is a phone call away or an app request away is really a comfort to many, many people in this Nation.

Senator SINEMA. Thank you. Thank you, Mr. Chair.

Chairman BROWN. Thank you, Senator Sinema.

Senator Warner from Virginia is recognized from his office.

Senator WARNER. Thank you, Mr. Chairman. I appreciate and am glad you are having this very important hearing.

Administrator Fernandez, first of all, let me say how happy I am that we have got an FTA Administrator who has actually worked back in the 1990s for WMATA. As you know, our system here serves the whole National Capital Region. Virtually every member on this Committee has staff members that ride WMATA, hopefully on almost a daily basis. But as you also know, obviously coming out of COVID, WMATA, like almost all transit systems around the country, is having some challenges on getting ridership levels back up.

Can you comment on a generalized basis, and then I am going to ask a follow-up question on the Silver Line to Dulles, but on a generalized basis can you talk about FTA's working relationship with WMATA and what FTA is doing to, again, take a major system like WMATA and help it get back to pre-COVID ridership and other levels?

Ms. FERNANDEZ. Yes, Senator, thank you very much for that question. Of course, because the Washington Metropolitan Area Transit Authority is here in the Nation's capital and this is where we are located as well, we see and live the WMATA service experience. I use Metro all the time, and, therefore, I can tell you that the ridership on the Metro System is continuing to grow to some points that we have to sometimes wait for another train.

But, nonetheless, our relationship, the Federal Transit Administration's relationship with WMATA is a very good one. We have a

responsibility for providing safety oversight through the Washington Metropolitan Safety Commission of the operations of the Metro, and also working with WMATA and all transit agencies across the country to assist them with transit renewal and assist them with ideas, exchanges of information, and collaboration on how they can not only build back ridership, but also on the safety challenges that they have experienced through peer-to-peer review and collaboration.

The leadership changes that have occurred recently with the former general manager retiring and the incoming general manager that is going to be joining on July 25th, Randy Clarke from Austin, Texas, I think it is a great opportunity for WMATA to continue focusing on all the things that matter, and that is safety, ridership, and delivering the highest-quality service to the people who live here, who work here, and those who visit.

Senator WARNER. Administrator, I appreciate that response. I do want to zero in, in these last 2 minutes, though. As you are aware, finishing Metro out to Dulles has been a long, involved process, and we finally had the handover from the Airports Authority, which did the construction, back over to Metro. Obviously, FTA has a role on the safety assessment. My hope is, since we have made that transference—and, obviously, we have got to make sure Phase 2 is safe, but that we do that safety assessment in as timely a manner as possible. We have got to make sure that we get that Phase 2 open. We have got to make sure it is opened in a safe way. We have been working closely with the Safety Commission. But can you give us a little bit of a sense? Do you feel with the new general manager coming in—I think we have got a timeline of later in the year to get this open to the public. Do you have any concerns about us meeting those timelines?

Ms. FERNANDEZ. Senator, from the information that I have received through our regional office in Philadelphia that oversees WMATA, the project is proceeding. It is in commissioning. That means that they are doing testing, and that is one of the reasons that now it is in WMATA's hands to ensure that all of the systems that have been installed are going to operate safely.

The decision then, once that testing is completed, would be—the Federal Transit Administration would be one of the—will be signing off on the next step, which would be the identification or determination of a revenue service operation date, and we would do so once we are fully satisfied that it is safe to operate.

Senator WARNER. And all I am asking, Administrator, is—one, I look forward to working with you on this. Two, if there are concerns, I hope that we hear sooner rather than later. What we do not want to do is go through this whole process and at the 11th hour hear there is a concern that has not been addressed.

I look forward to working with you and, again, I appreciate your prior experience working with Metro.

Thank you, Mr. Chairman.

Chairman BROWN. Thank you, Senator Warner.

Senator Warren of Massachusetts is recognized.

Senator WARREN. Thank you, Mr. Chairman. So I want to discuss the Massachusetts Bay Transportation Authority, or the MBTA, which has been plagued with maintenance issues, shut-

downs, and significant safety concerns after multiple deaths last year alone. In a letter to the MBTA on April 14th, the Federal Transit Administration, the agency that you run, Administrator Fernandez, expressed extreme concern for riders' safety. The letter also stated that the FTA was going to "assume an increased safety oversight role of the MBTA system" and conduct inspections and obtain data to provide the MBTA with a "road map to building a robust safety culture."

I share the FTA's concerns. After the FTA issued special safety directives, however, the MBTA reacted by reducing service frequency on many lines, and these service cuts and long delays have negatively impacted all riders, many of whom rely on public transportation to try to get to work or to school.

So I have two intertwined questions. The first is: How did we get to a point where people are literally dying on the T? And, second, when will the FTA have a detailed road map to get the T back on track?

Ms. FERNANDEZ. Senator Warren, thank you so much for highlighting the importance of safety in public transportation, in particular in the rail system. As you noted, the letter that was issued by our chief safety officer at the Federal Transit Administration was a result of a series of events that had occurred subsequent to a study of 2019 that identified a series of issues that needed to be addressed, that the transit agency was in line to address. And when we experienced ongoing safety incidents that could have been averted, that is the reason that we sent that letter.

Senator WARREN. And I am glad you did. I am sorry. Let me just—you talk about a series of issues. How is it—the question I have is: How did we get to this place where people die on the T? What went wrong?

Ms. FERNANDEZ. That is the question. The situation here is—safety is our number one priority, and when we see that safety—that the focus on safety, whether it is culture, whether it is decisionmaking or lack thereof, contributes to incidents that result in death, that is when we raise the flag, and we go beyond just raising the flag where we step in, and we immediately sent personnel so that we could conduct a safety management inspection. And it was throughout the inspection that we identified additional issues, and that is the reason that we issued a safety directive.

Senator WARREN. And when do you expect to have a report so we can get the T back on track, literally?

Ms. FERNANDEZ. Well, we are going to be issuing a report in August—

Senator WARREN. August.

Ms. FERNANDEZ. —with the safety management inspection findings. The Massachusetts Bay Transportation Authority needs to continue, one, with the training; they need to hire personnel; and that is one of the reasons, to your second question that has to do with the impact on ridership, with the impact on service. And that impact on service only occurs when projects and maintenance have not been completed in a timely manner that now need to be performed doing revenue service.

Senator WARREN. I appreciate that. I think what you are saying is the MBTA was not paying enough attention to the maintenance

and inspections to keep the system safe. I look forward to the report in August. I am going to hold you to that. But prioritizing safety and service should not be either/or. It should be both/and.

I have one other thing I want to ask about, and that is investment in electrification. I think it is a big part of the answer when it comes to making the MBTA both safer and more modern. Electrification would improve service, would reduce long-term maintenance costs, would help us meet our climate goals, and would solve issues across housing, affordability, traffic, congestion, efficiency, and at the same time help create new jobs and promote regional economic prosperity and environmental justice. But under the Baker administration, the MBTA is not prioritizing electrification.

Administrator Fernandez, while electrification would cost more in up-front capital costs, would this be a way to make the T safer, more reliable, greener, create jobs, and reduce costs in the long run?

Ms. FERNANDEZ. Senator Warren, it will achieve all of the above, and as a matter of fact, we did issue a grant to MBTA for the replacement of a bus facility. It is going to be a combination—I believe there is a TIFIA loan involved—to ensure that they have an adequate facility that can start to accommodate electric vehicles.

Senator WARREN. You know, electrifying commuter rail would mean a faster, more reliable ride, and a cleaner environment, and it is mystifying that the T has no tangible plans to get us there. Transitioning to an electric system would be costly, but right now the Commonwealth has a large budget surplus and is set to receive record amounts of Federal funding from the infrastructure bill. Rather than continuing to pour money into dirty, unreliable technologies from the last century, we can replace broken-down trains with electric ones and invest more in electric buses. I know it is not going to be easy, but we have to use every tool in the toolbox to avert these disasters and give Massachusetts residents the first-class infrastructure they deserve. Thank you.

Thank you, Mr. Chairman.

Chairman BROWN. Thank you, Senator Warren.

Senator Reed of Rhode Island is recognized.

Senator REED. Thank you very much, Mr. Chairman. Welcome, Administrator. Thank you for your leadership in the department.

Fuel costs are on everybody's mind. In Rhode Island, RIPTA, the Rhode Island Public Transit Authority, which is a statewide transit system, was fortunate. They negotiated a contract for gasoline and diesel, or whatever, at \$2 per gallon. But that contract expires, so they are now being thrown into a market where the price is three or four times as much.

The situation is such that your agency does not allow moving money from capital into gas subsidies, if you will, for want of a better term. The House had introduced in their appropriations bill language that would provide that flexibility to a degree. Would FTA be sympathetic to allowing, at least for a short period of time, the ability to move money from some of these funds, like the capital fund, into gasoline?

Ms. FERNANDEZ. Senator Reed, with the emergency relief funds, one of the things that was made available to all transit agencies, in particular those who had to use their formula dollars specifically

for capital and capital maintenance but not for operations, was the ability to have access to operating dollars, and although the majority of the relief funds have been already obligated, many transit agencies continue to rely on those dollars for operations. Should Congress adopt a provision that allows for the use of capital funds toward operations, we would follow through with the law.

Senator REED. Thank you very much, Madam Administrator. Senator Warren just finished discussing the promise of electric vehicles, electric buses, et cetera. We are trying, with the help of your agency, to create, we hope, a completely electric system. We are scheduled to go totally electric on Aquidneck Island where Newport, Middletown, and Portsmouth are located, these communities. But one of the problems we discovered is that these electric vehicles do not have the range of the typical diesel, so they need more of them. But yet FTA has a limit on the number of spare buses, the so-called spare ratio. Again, I am wondering if you could discuss any flexibility that FTA might offer agencies that are working to expand their electric fleet and need more spares than is authorized currently.

Ms. FERNANDEZ. Yes, thank you, Senator Reed, for that question, because with the transition to electric vehicles, we have been receiving a lot of queries from transit agencies. It is a priority to have transit vehicles be replaced when their useful life has expired, and we are looking for that transition to move toward a cleaner emission.

We have a number of flexibilities built into our existing spare ratio policy, and we encourage all transit agencies that are looking for flexibilities to work with the regional offices so we can guide them through that process. In fact, this past December, I issued a "Dear Colleague" letter detailing those very specific flexibilities, and particularly as they relate to transition to zero emission. Moreover, a specific example is agencies that are introducing zero-emission vehicles into their fleet are able to keep their existing vehicles that are past useful life, and those will not count toward their spare ratio.

Senator REED. Thank you. But, again, I think incentivizing electrification is essential to getting it on the roads faster and with all the benefits, of course, and we would not have asked the first question if we were all electric. We would still be paying around \$2 or less for power per gallon.

Workforce development is absolutely critical every place. I just came from a hearing of the Appropriations Committee, Defense Committee, and defense industries are looking for workers. Everyone is looking for workers. And just, again, RIPTA is putting in a grant for a new bus and bus facilities program to update its maintenance garage, but also include within that training of maintenance personnel in cooperation with the New England Institute of Technology, which is a not-for-profit tech school with an excellent reputation. In fact, they have done a lot of work with the electric boat. So I would just ask you to look favorably on this application. It is very worthwhile.

Thank you, Madam Administrator.

Ms. FERNANDEZ. Thank you, Senator.

Chairman BROWN. Thank you, Senator Reed.

Senator Ossoff from Georgia is recognized from his office.

Senator OSSOFF. Thank you, Mr. Chairman. And thank you, Administrator Fernandez, for joining us today. Thank you for your service.

I want to begin by drawing your attention to a recent earthquake that impacted Savannah, Georgia, and Chatham County, Georgia, and did significant damage to the Chatham Area Transit ferry system. Will you please commit to working with my office to identify, if possible, FTA resources that could be brought to bear to help Chatham County to repair that damage?

Ms. FERNANDEZ. Yes, good day, Senator. Yes, our regional office in Atlanta has been in contact with Chatham Transit and working to provide them with technical assistance.

Senator OSSOFF. Thank you. And just for clarity, Madam Administrator, will you please commit that you and/or your team will continue to work with my office to try to identify all potential solutions FTA can offer to help Chatham County recover from this natural disaster?

Ms. FERNANDEZ. Yes, Senator, we will.

Senator OSSOFF. Thank you, Madam Administrator. I would like to, along the same lines, ask for your commitment to work with my office more broadly to identify possible legislative improvements or administrative improvements that could be made to the Emergency Response Funding program that FTA administers to make it more flexible and to give you and your team more authority and potentially more resources to help transit systems that are impacted by natural disasters and emergencies. Will you engage your team with mine to identify possible improvements to that program?

Ms. FERNANDEZ. Senator, we are happy to work and provide technical assistance with emergency relief or any other programs that you all are interested in pursuing flexibilities.

Senator OSSOFF. Thank you so much, Madam Administrator. I want to raise a few Georgia-specific transit initiatives with you. The bipartisan infrastructure law obviously provides a historic opportunity for improvements, upgrades, and expansion of critical transportation and transit infrastructure in the State of Georgia—for example, in Metro Atlanta, bus rapid transit along State Route 400 that has broad bipartisan local support and a new transit line along Campbelltown Road, 6 miles between the Oakland City Station and Greenbriar Mall. That is a long-awaited critical piece of infrastructure for southwest Atlanta.

Understanding these are competitive grant programs, will you please commit to work with me and local stakeholders to maximize the prospects for these projects and help us do everything that we can as Georgia leaders to maximize the chances of success?

Ms. FERNANDEZ. Senator, yes, the Federal Transit Administration's headquarters office, in addition to the regional office, is available to provide technical assistance and guidance to transit agencies as they are putting together the applications to ensure that the requirements and the applications, if there are any questions, that we can assist them to better understand what the goal of the grant, the intended program is. So, yes, the response to your question is yes, we will continue providing that technical assistance and guidance.

Senator OSSOFF. Good. I am looking forward to working with you to maximize the chances of success for those transit lines along Georgia 400 and Campbelltown Road.

I would like to ask you more broadly as well if you will please dedicate a member of your team to meet with a member of my staff, a representative from the FRA, and folks in Metro Atlanta who are interested in expanding commuter rail service for a planning session to discuss how commuter rail service might be brought online to serve Metro Atlanta and the role that the FTA would play perhaps working with local transit authorities and the FRA in helping make that real. Will you please designate a staff member and engage with my office in some planning work along the lines?

Ms. FERNANDEZ. Yes, Senator, our regional office, and particularly the regional administrator of the FTA, together with her counterpart at FRA, that is exactly the type of assistance that they provide, and they will be available to support and participate in meetings that you and your team will call regarding these projects.

Senator OSSOFF. Thank you so much. No- or low-emission buses present an opportunity for communities like Chatham County and Chatham Area Transit or institutions like Georgia State University to upgrade their bus fleets to electric and no-emission buses. Both of those organizations, institutions, are applying for Federal funding to do that. Will you please provide to my office an update, working with your regional office, on the progress of those grant applications and work with me to try to see them through to success?

Ms. FERNANDEZ. Yes, Senator, our Office of Congressional Affairs will provide that information to your office.

Senator OSSOFF. Thank you so much, Madam Administrator.

Thank you, Mr. Chairman.

Chairman BROWN. Thank you, Senator Ossoff.

Senator Warnock from Georgia is recognized. Welcome.

Senator WARNOCK. Thank you so very much, Mr. Chairman. And folks in Georgia are very much focused on public transit, and like Senator Ossoff, it is certainly a concern of mine and a high priority. Every day thousands of Georgians rely on public transportation, from Atlanta commuters taking MARTA to work to our veterans and our seniors who are living rural Georgia using one of our 80 rural transit services to get to their doctors' appointments. Eighty rural transit services. I think that is an important point because often when you talk about public transit, as you know, people assume urban. But the rural communities very much rely on transit services in some ways more.

Safely and efficiently getting Georgians where they need to go is a priority of mine, and that is why I found to include provisions from my Capital Investments Grant Improvement Act and increased funding for the CIG program in the bipartisan infrastructure law.

The provision I wrote to lift the Small Starts project size cap is already enabling MARTA, Georgia's largest public transportation service, to develop and improve its transportation infrastructure to benefit millions of passengers.

Administrator Fernandez, how will lifting the project size cap for Small Starts create jobs, allow more communities to benefit from the CIG program, and expand public transportation service?

Ms. FERNANDEZ. Senator, the Small Starts program is a very important program, part of our Capital Investment Grant. And I can say to you that there is a pipeline right now in our CIG of over 60 projects; 50 percent of those are Small Starts. So we are seeing more and more bus rapid transit projects come into the fold, and the pipeline itself is, as I noted earlier, 150 percent greater than anything we have ever had vying for funds.

By lifting that cap, what we would do is give transit agencies the opportunity to better bring their resources, their local resources, and be able to maybe even accelerate some of the projects that they have in their portfolio. And if it is a single project that they are pursuing in a community or maybe their first ever Small Starts project, it gives them the opportunity to introduce that project sooner and to be able to bring that high-quality service to the community and the corridors that it will serve.

Senator WARNOCK. As I often say, if people cannot get to where they are going, they cannot get to where they are going. Or said more positively, we need to help people to get to where they need to go through being able to move physically. So I look forward to working with the FTA to ensure that the bipartisan infrastructure law continues to expand access to public transportation in Georgia in our rural and in our urban communities.

During the height of the pandemic, rural transit systems played a critical role in preserving public health and filling the gaps, whether it was meal delivery or rides to vaccination sites. So I am not surprised that when I travel across Georgia—I was down in Valdosta a couple weeks ago, Wake Cross before that, Columbus—I hear and see demand for small urban and rural transit services to connect Georgians to health care services, to education, jobs, grocery stores, and so much more.

Last year, I introduced the HOPE Act to help rural and disadvantaged communities identify and address their transportation needs. I am glad that this year's Government funding bill provided \$20 million for the HOPE Act, now known as the Areas of Persistent Poverty Program, which will unlock funding for rural transit projects in communities like Chatham County, Savannah, Georgia, Valdosta, and will improve access to jobs.

Administrator Fernandez, what has FTA learned in its early implementation of the Areas of Persistent Poverty Program as it works to make public transportation services more accessible?

Ms. FERNANDEZ. Senator, it is a very important program, and what we are learning is that there are communities where the access to a minivan that can get an individual who recently had surgery and needs to go for physical therapy and can no longer drive or cannot drive throughout that period, it is their connection to health improvement. It is their ability to recover.

I was recently in Jackson, Mississippi, and had the opportunity to talk to a woman who had experienced just that, where she thought that public transportation was for other people, and she realized that that "other person" was her, and recognizing that she lived on a street that did not have a name or an address, but the

paratransit vehicle was still able to reach to her location and get her to where she needed to go.

So we recognize and have always been very cognizant of the significance of having good public transportation in rural areas, and that is one of the reasons that through our Coordinating Council on Access and Mobility, bringing together all of the resources in Government that are available to—whether it is human services and some of the other cabinet departments and agencies, to encourage leveraging those dollars so that service transportation, non-emergency transportation is available to individuals no matter where they live.

Senator WARNOCK. I am out of time, but you talk about the importance of this in the ordinary, everyday lives of Georgians. Congress, as you know, funded the Areas of Persistent Poverty Program in appropriations this year but has not permanently authorized the program for future years. From where you sit, can you talk about the importance of ongoing funding of these programs for rural and low-income communities?

Ms. FERNANDEZ. Yeah, these programs are very important. We know that these areas are designated, when there is 20 percent of poverty in the county, and that is how it is designated, and recognize that many of these locations are distant from urban centers, they are distant from trauma centers, and other critical need and access points. So, clearly, having human service transportation together with rural operators working collaboratively to ensure that there is always access to individuals, whether it is for routine or whether it is for medical services, that public transportation can be there when it is needed.

Chairman BROWN. Thank you, Senator Warnock.

I would only add that both Senator Ossoff and Senator Warnock have spoken to me many times about the importance of public transit in Georgia, something that has been, frankly, ignored for far too many years, and the investment that they have demanded is really beginning to pay off, and as Chair of the Committee with that jurisdiction, I know of my interest and I know that you have that same interest, Administrator Fernandez.

Senator Van Hollen of Maryland is recognized from his office.

Senator VAN HOLLEN. Thank you, Mr. Chairman. Administrator Fernandez, thank you for all your good work.

I want to start by associating myself with the comments made by Senator Warner with respect to the Washington Metro system, WMATA, which, as you said, is important to the entire region, and the Federal Government has an important stake in the success of WMATA. We have some ongoing safety issues. Our larger long-term challenge is bringing back ridership that was lost during COVID. We have recovered much of that but have a ways to go. So I look forward to your input and ideas on that front.

We also have a lot of other important Maryland transit projects that have been made possible by the bipartisan infrastructure bill, including the Southern Maryland Rapid Transit Project. I do not want to go into all the details, but I just would ask you for a commitment that your office work with us to identify the maximum possibilities to move that project forward.

Ms. FERNANDEZ. Yes, Senator, FTA is working with Charles County to advance the Southern Maryland Transit Corridor Project, and they are not a direct recipient yet, but the regional office has been working very closely with them to ensure that they comply with all the legal requirements.

Senator VAN HOLLEN. Well, thank you. Thank you for being on top of this issue. I appreciate it, and we look forward to continuing to work with you and your team.

Of course, the infrastructure is an essential component, but the other essential piece that makes everything run are the workers, the transit workers. And I was very pleased that a piece of legislation that I introduced to strengthen the safety of transit workers, along with passengers, was passed, included as part of the infrastructure bill. And you mentioned that in your testimony, that transit authorities located in large urban areas must establish their safety committees comprised of both management and labor officials by the end of this month, and that all transit agencies must complete their safety plans by the end of the year.

My question is: As you monitor these deadlines, are you confident that we will be on track in terms of getting those safety committees up and running?

Ms. FERNANDEZ. My expectation is that all transit agencies are on track to get that up and running, Senator. When the bipartisan infrastructure law was enacted in November of last year, it was effective immediately, and the transit agencies all understood, based on additional information that was put out by my office, what was required of them. And those that had existing safety committees, they made sure that there was equal representation; those that had to create those safety committees have had ample time to do so. I think that the additional timing that has been allowed through July 31st from the November 15th enactment is adequate for them to make the changes, the requisite changes that are necessary in order to update their public safety transportation agency safety plans by the end of this year.

Senator VAN HOLLEN. Well, thank you, and thank you for holding people's feet to the fire in terms of the deadlines. You know, when I talk to transit workers, you hear often terrible stories about the kind of abuse that they have to take. And so some of the changes that I expect to be made I think will go a long ways to addressing some of those issues. And that, of course, raises the larger issue of workforce. As you well know, we are experiencing, you know, workforce demands in many different sectors. And I know the transit workforce situation is no different.

We did as part of the infrastructure bill, as you know, include the efforts with respect to investment in workforce, and I know that you are focused on the Transit Workforce Center. Could you just speak briefly about your vision for the program and how the funding is flowing for those purposes?

Ms. FERNANDEZ. Yes, and such an excellent question given where we are with all the demands of increased funding both on the construction side through the Capital Investment Grant and then the investment in rolling stock, upgrading and replacing rail vehicles in addition to transitioning bus fleets.

The way that we envision this Transit Workforce Center moving forward is to be able to serve transit agencies, provide them with some very specific guidelines, provide them with training modules, and also help them make connections at the local level with community colleges so that they can create the opportunities for not only recruiting but also training and upskilling the existing workforce to work on the new vehicles, to work on the new technology that is out there.

We, like all other industries, are in competition for talent and for individuals who want to become whether it is a bus operator, rail conductor, or maintenance frontline worker, and, therefore, looking at beyond just the industry and connecting with high schools—and that is one of the other areas that they are going to be—the Transit Workforce Center will assist with, is connecting with local schools in addition to labor shops so that the apprenticeship programs can be developed and those that are already existing can be opened and made available so that that pipeline can continue to grow. We do see attrition in the industry, and we want to make sure that there is sufficient pipeline to backfill that attrition.

Chairman BROWN. Thank you, Senator Van Hollen.

Senator Toomey has one last question.

Senator TOOMEY. Thank you very much, Mr. Chairman, and, Madam Administrator, as you know, last year's infrastructure law requires the Secretary of Transportation to establish a program focused on the deployment of advanced digital construction management systems under the FTA's Innovation Program. Increasing and expanding the use of innovative technologies for construction can help expedite timelines and save Federal taxpayers money. These types of technologies are also applied throughout the life cycle of transportation infrastructure, including the maintenance phase.

During this Committee's last transit hearing in February, the Central Ohio Transit Authority testified that they use advanced technology systems to help with predictive maintenance for state of good repair improvements.

So, Administrator Fernandez, could you briefly provide an update on the timing for establishing this program?

Ms. FERNANDEZ. Yes, Senator Toomey, and I really appreciate that we are having the conversation about the advanced digital construction management. I was trained in the construction industry, and this is without a doubt one of the best opportunities that the transit industry has to not only establish a good program management program but also the oversight of that program to ensure that with the use of technology, we can predict, we can forecast the schedule, budget, and keep projects on task. The legacy—the large programs, the large projects have been using it, as was noted by General Manager Joanna Pinkerton when she testified. What we are seeing now with the increase in funding, the \$23 billion in the Capital Investment Grant program, that means that we are going to have more transit agencies, many of them are small operators that may not have familiarity. So this is clearly an opportunity. We are in the process now of collecting information so that we can not only identify what has been used, what some of the entities that have applied advanced technologies, what they have learned, where do we see the gaps. And, you know, as I noted, with the increase

in small operators now taking on projects, construction projects, that there is certainly an opportunity for them to connect, and what, if any, additional research can be made available.

Senator TOOMEY. Right.

Ms. FERNANDEZ. Our intent is to move posthaste with them.

Senator TOOMEY. Do you have an estimate for when the program would be established?

Ms. FERNANDEZ. We are going to be issuing the information on the research aspect of this, because it came through our research program, we will be issuing information on that, and my expectation is that will be toward the end of this year.

Senator TOOMEY. OK. Thank you.

Thank you, Mr. Chairman.

Chairman BROWN. Thank you, Senator Toomey.

Administrator Fernandez has shown the FTA is working on many fronts to deliver the promised investment and important program updates in the infrastructure laws. Thank you, Administrator, for your testimony today.

For Senators who wish to submit questions for the hearing record, these questions are due 1 week from today, on Tuesday, July 19th. To the witnesses, please submit your responses to the questions for the record 45 days from the day you receive them.

With that, the hearing is adjourned. Thank you.

[Whereupon, at 11:38 a.m., the hearing was adjourned.]

[Prepared statements and responses to written questions supplied for the record follow:]

PREPARED STATEMENT OF CHAIRMAN SHERROD BROWN

Last Thursday, I invited our witness, FTA Administrator Nuria Fernandez, to Columbus to see the excitement in the community as they plan to build one of the best bus rapid transit networks in the country.

Columbus is growing—and if we pass the CHIPS Act, with Intel’s investment in semiconductor production in Central Ohio, it will grow even faster.

Investments from the Infrastructure Bill will help Central Ohio prepare for more people, expand service, and connect more Ohioans with these exciting job opportunities with new Bus Rapid Transit.

We visited the West Broad street corridor with COTA’s CEO Joanna Pinkerton. We saw the tremendous opportunity for fast bus service to downtown Columbus that will spur new development and new affordable housing along the route.

Columbus is not alone.

Cleveland RTA has entered the Capital Investment Grants program for a new BRT route and Cincinnati is planning its own large BRT network. Nearby communities Pittsburgh and Indianapolis also have major BRT investments moving forward with FTA support.

For too long, the United States hasn’t invested in public transit the way we should, and we’ve fallen far behind the rest of the world in new transit technology.

But with the bipartisan infrastructure law we are finally working to catch up.

The bipartisan infrastructure law included the largest investment ever in public transit.

But it’s not just about the numbers—it’s about what that investment will do, and how this will matter in Ohioans’ lives, and for people across this country.

It will connect more communities. It will mean faster service to more neighborhoods. It will open up new job opportunities, so workers aren’t limited by a bus that doesn’t reach a job site or doesn’t run on Sunday.

Right now, families are continuing to feel the pain of high gas prices because of Russia’s attack on Ukraine.

But if there’s a reliable bus or train nearby, workers don’t have to choose between paying for gas or making rent.

This is going to make such a difference—especially in so many communities that haven’t had reliable transit.

It’s the Black and Brown communities who have been redlined, who have been cut off from jobs by interstates that walled off their neighborhoods. It’s rural areas where walking isn’t an option.

It’s smaller cities and towns, that haven’t been able to afford big extensive transit networks like big cities.

Alongside these opportunities, we know the transit industry faces challenges. High fuel prices hurt diesel bus operations, and, like the private sector, transit agencies must compete for talented workers.

We are lucky to have an exceptional leader at FTA working to navigate these challenges, and deliver on the promises in the infrastructure bill.

Administrator Fernandez has been on the job since last June, becoming the first Senate-confirmed woman of color and first Afro-Latina to lead FTA.

She and her team have worked to deliver pandemic relief funding quickly and efficiently.

In the wake of the pandemic, workers are still adjusting their commutes. We need to preserve transit routes and help transit agencies keep their highly skilled workers on the job.

Administrator Fernandez is now focused on an even larger endeavor: implementing the most consequential investment in our transit infrastructure in a generation.

FTA has moved quickly to help more communities get new, state-of-the-art zero-emission buses on the roads.

It’s important progress in our fight against climate change, it’s going to clean up the air in our communities, and it’s going to mean new, modern buses for Americans to ride.

FTA has made it easier for agencies to apply by combining the Low-No Bus application with the traditional bus program.

FTA has also worked to get funding for transit construction out the door under the Capital Investments Grants program, and to help our rural communities improve their transit options.

As long as I chair this Committee, workers will always have a seat at the table. The Administrator has maintained that same commitment—thank you Ms. Fernandez for giving transit workers a voice at FTA. She is working to ensure workers have the training needed for the next generation of service.

Finally, FTA has continued its sharp focus on safety. On this Committee, we have always strongly and bipartisanly supported safety efforts. I've worked with both Chairman Crapo and Ranking Member Toomey on safety issues, including in the infrastructure bill.

Administrator Fernandez, I look forward to your testimony.

PREPARED STATEMENT OF SENATOR PATRICK J. TOOMEY

Thank you, Mr. Chairman.

Administrator Fernandez, welcome. Today, we'll hear directly from the FTA on implementation of last year's infrastructure law.

As I've stated before, we should not pay for an infrastructure package by borrowing billions more dollars. But that's precisely what happened with this law. It authorized so much new spending that \$118 billion had to be transferred from the Treasury's General Fund to the Highway Trust Fund, which is a specific account financed with Federal gas tax revenue to cover mass transit and highway construction costs.

President Biden would make this shortfall worse by suspending the Federal gas tax for 3 months, reasoning that the solution to high gas prices isn't more supply, but rather more debt. I'd suggest if we want to help commuters and families suffering from inflation, we can start by reversing the Administration's actions that keep us from using America's own fossil energy. But back to infrastructure.

Federal spending should be driven by a reasoned assessment of our Nation's needs. However, last year's infrastructure law seems to have been driven more by Democratic political imperatives. The bill funneled billions to projects that the private sector has been more than willing to fund, such as ferries and electric vehicle charging stations.

Transit was given \$108.1 billion over a 5-year period. To put that number into perspective, it's almost twice what transit got in the last surface transportation reauthorization. And this staggering sum will be on top of the nearly \$85 billion given to transit during one year of the COVID pandemic, the vast majority of that money categorized as "emergency" spending to offset COVID losses. In fact, that nearly \$85 billion exceeded the combined annual operating and capital costs of all transit agencies in the United States.

At the time, Democrats tried to justify paying for more than 100 percent of transit agency budgets by saying that transit systems would collapse from declines in ridership and State and local tax revenues. Yet, State and local tax collections set a new record in 2020. And Congress gave more than \$850 billion to States and local governments for COVID relief.

Worse, billions of dollars will go to transit agencies that were facing ridership declines well before COVID. Since reaching a high of 10.7 billion trips in 2014, transit ridership has steadily fallen. It fell by almost 8 percent in 2019. And the last 2 years saw even steeper declines.

Ridership fell at some agencies by over 70 percent. According to FTA, ridership now is only about 60 percent of prepandemic levels. Some estimates predict ridership will never fully return to prepandemic levels.

Agency leaders in New York, Pittsburgh, and Washington, D.C., have all said their riders won't return. And even transit agencies that are predicting ridership to return to prepandemic levels don't expect that to happen this decade. For example, a nonpartisan think-tank—the Eno Center for Transportation—recently reported that New Jersey Transit does not expect its prepandemic rail ridership to return until the early 2030s, and San Francisco's Bay Area Rapid Transit does not expect its prepandemic ridership to return until after 2035.

So why give away more taxpayer money to agencies serving far fewer riders? Shockingly, the FTA is allowing transit agencies that are seeking Federal funding for projects to expand transit systems to use prepandemic ridership data from 2019. Transit agencies largest source for expansion projects is FTA's Capital Investment Grants program—known as CIG.

There are transit agencies seeking millions and even billions of Federal taxpayer funding for CIG projects to expand streetcars, commuter rail, light rail, and bus rapid transit. To justify their funding requests, FTA has been allowing transit agencies to use prepandemic data on ridership from 2019 and 2020. That boggles the mind.

Transit ridership was already in decline pre-COVID. And transit agencies are publicly admitting that their ridership will not recover to prepandemic levels for over a decade, if ever. So Federal taxpayers will build out transit systems to serve ghost riders, increasing long-term maintenance costs. I have no doubt that a few

years after these projects are completed, transit agencies will be before Congress pleading for more subsidies to operate systems too large for demand.

Also concerning is FTA's willful disregard of an important feature of last year's infrastructure law. The law requires agencies to make progress on their deferred maintenance backlogs to qualify for CIG grants. But FTA plans to allow agencies to qualify for CIG grants even when they are falling further behind on their overall deferred maintenance targets. That does not protect taxpayers.

Speaking of protecting taxpayers, people should feel safe while using transit. As I stated at our last transit hearing, the rising rates of crime on transit systems are deeply disturbing. Unfortunately, it doesn't appear that FTA is taking this important issue seriously enough.

Let me conclude with this observation. It may not entirely be transit agencies' fault that people are choosing not to use their services. But that doesn't mean Congress should be throwing ever more billions of Federal taxpayer dollars at them to build out more services for riders they don't have.

I look forward to discussing the future of mass transit today.

PREPARED STATEMENT OF NURIA FERNANDEZ

ADMINISTRATOR, FEDERAL TRANSIT ADMINISTRATION

JULY 12, 2022

Chairman Brown, Ranking Member Toomey, and Members of the Committee, it is my pleasure to testify before you today on the progress the Federal Transit Administration has made in implementing the Infrastructure Investment and Jobs Act, or the Bipartisan Infrastructure Law, and our continued work to improve America's communities through public transportation.

First, I want to express my gratitude to this Committee for advancing my nomination as Administrator of the FTA, and to the Senate for confirming me last June. It is truly the privilege of a lifetime to lead FTA during such a critical time for public transportation.

Just over a year ago, COVID-19 was still ravaging transit systems nationwide, impacting every aspect of the industry. We greatly appreciate Congress providing about \$70 billion in COVID relief funding for public transportation in response to this crisis.

These funds not only made sure that riders had the lifeline they needed—they were also essential for the economy. The American Rescue Plan alone is responsible for saving about 50,000 transit jobs, not to mention the extensive supply chain that manufactures components for buses, rail cars, and more. In short, transit helped keep America open.

Now, thanks to diligent efforts to win customers back, more demand for in-person work as the economy grows, and increasing confidence from the riding public, we have seen ridership return to about 60 percent of prepandemic levels . . . and climbing.

The Bipartisan Infrastructure Law came at a pivotal time for public transportation. Recognizing the importance of transit to so many communities, Congress entrusted FTA with up to \$108 billion dollars in funding over the next 5 years.

Trust me when I say we do not take this responsibility lightly. Since President Biden signed the Bipartisan Infrastructure Law last November, FTA has been hard at work to deliver this record investment to agencies nationwide—in areas large and small; urban, rural, and Tribal; in every State and Territory in the Union.

In the next few minutes, I will highlight how FTA has delivered on the promise of the Bipartisan Infrastructure Law, as well as discuss our plans for the future.

Safety

As Secretary Buttigieg has said, safety is our North Star. In the COVID-19 era, "safety" has taken on a new meaning, but the principle is the same: every transit rider deserves a safe, secure, and reliable trip, and every transit worker must be able to conduct his or her duties without fear of assault or injury.

With that in mind, we are doing everything in our power to improve safety throughout the industry. All transit operators that receive FTA urbanized area funds must have Public Transportation Agency Safety Plans in place to improve their safety processes and systems. To meet the new requirements in the Bipartisan Infrastructure Law, transit agencies in large urban areas must establish Safety Committees with equal representation of management and labor by July 31, and all agencies in urban areas must update their safety plans by December 31, with approval by Safety Committees if applicable.

FTA also plans to expand our data collection efforts to require that all transit worker assaults are reported through the National Transit Database. Currently, only those assaults that result in serious injury are required to be reported. In addition, FTA is strengthening its State Safety Oversight program by giving State oversight bodies the authority to conduct unannounced risk-based inspections. Taken together, these actions will give FTA more information than ever before on the scale of transit safety needs and how to address risks.

The Bipartisan Infrastructure Law's Historic Transit Funding

Another critical aspect to ensuring the safety of our transit systems is to improve the state of repair of transit assets, from subway tracks to bus wheels. Thanks to the Bipartisan Infrastructure Law, we have resources to take on the estimated \$105 billion backlog in transit maintenance needs nationwide. To help transit agencies perform needed repairs and modernize their equipment, right after the Fiscal Year 2022 Appropriations Act in March, FTA acted swiftly to make the full balance of over \$13 billion in FY22 formula funding available through the apportionment process.

We are also delivering funding through our competitive programs as quickly as possible.

- In February, we published a Notice of Funding Opportunity (NOFO) for Tribal Transit, and in March, we published a combined NOFO for the Low-No and Buses and Bus Facilities programs, making over \$1.7 billion available to replace and modernize our Nation's bus fleets in rural and urban areas. In May, we issued the NOFO for Transit-Oriented Development planning as well.
- The Low-No funding is unprecedented, more than six times what it was in 2021. We are on track to meet the statutory deadline to award these funds, which will make an enormous difference in reducing emissions and improving air quality nationwide.
- Just last week, we published a NOFO making available nearly \$300 million for three ferry programs: the longstanding urban ferry program, as well as the new Ferry Service for Rural Communities and Electric or Low-Emitting Ferry Programs.
- This summer, we anticipate issuing NOFOs for the other competitive programs established by the infrastructure law, including the All Stations Accessibility Program (ASAP) and the Rail Vehicle Replacement Program. I will discuss ASAP in more detail in a moment.

Workforce Development

Recruiting, training, and retaining the transit workforce continues to be a top priority. Frontline workers—represented by the backbone of the industry, transit labor—support riders in their communities, day in and day out, and they need help. They need more coworkers to keep people moving to jobs, schools, health care appointments, and opportunities in communities across the country.

Thanks to dedicated funding from Congress, FTA established the Transit Workforce Center last September to help transit agencies recruit, train, and upskill their workforces and establish partnerships between transit agency management and labor organizations. Since then, the TWC has hit the ground running, providing recruitment and management strategies as well as networking opportunities to transit agencies nationwide.

Following direction in the Bipartisan Infrastructure Law, applicants to the bus competitive grant programs who have proposed projects related to zero-emission vehicles must adequately support workforce development, including registered apprenticeships and technology training, or use 5 percent of their awards to do so. FTA has also worked with the Department of Labor and their Good Jobs Initiative to embed incentives for equitable workforce development connected to good jobs into other discretionary grant programs.

Equity and Accessibility

We are thankful to this Committee and Congress for the new All Stations Accessibility Program (ASAP) included in the Bipartisan Infrastructure Law. It has been 32 years since the passage of the Americans with Disabilities Act, and while great strides have been made to improve transit accessibility, we still have work to do.

There are over 900 rail stations that remain inaccessible. Beginning to upgrade these stations will open new opportunities for people with disabilities to independently use rail transit systems to reach jobs, health care and other services, social activities, and all life's opportunities.

In addition to improving quality of life for people with disabilities, in keeping with the President's Executive order on Advancing Racial Equity and Support for Underserved Communities, we are advancing the Biden-Harris administration's commitment to address the needs of communities that have been historically overburdened and underserved by our Nation's transportation systems.

I want to be clear that public transportation does not just serve big cities—far from it. FTA has supported transit in rural and Tribal areas for decades, and we continue that important work every day. It is those areas where a local bus, van, or paratransit service can make all the difference for a senior citizen aging in place or a veteran who needs care at the VA.

For example, I recently visited Jackson, Mississippi, to highlight FTA funding that will allow the Claiborne County Human Resource Agency and four partner organizations to collaborate to better connect rural Mississippians with jobs, doctor's appointments, grocery stores, and other essentials. I saw firsthand that rural transit is not just a bus or a van, it is a pathway to health, wellness, and opportunity.

USDOT is committed to improving transportation infrastructure and stewardship on Tribal lands. Recently, Deputy Secretary Polly Trottenberg traveled to the Cherokee Nation in Oklahoma to sign the first ever Tribal Transportation Self-Governance Compact. This historic agreement means Cherokee Nation will have the opportunity to make more decisions on how to use Federal funds to support transportation and infrastructure projects that better connect both their residents and those visiting tribal lands.

Conclusion

We know that transportation costs are one of the biggest burdens on many family budgets. Transit is the great equalizer, making sure that Americans always have an affordable option to get from where they live to where they need to go. My staff and I come to work every day to ensure the historic level of funding over the next 5 years is invested equitably and effectively, taking on the climate challenge and making the Nation's trains, buses, ferries, and paratransit better for all.

I look forward to continuing to work closely with this Committee as we go about this important work.

Thank you, and I will be happy to answer any questions.

**RESPONSES TO WRITTEN QUESTIONS OF CHAIRMAN BROWN
FROM NURIA FERNANDEZ**

Q.1. *Coordination of Federally Assisted Non-Emergency Medical Transportation (NEMT)*—Administrator Fernandez, in Ohio there are 14 State agencies that invest at least \$500 million annually to transport their clients and customers to jobs, medical care, and other destinations. After FTA, non-emergency medical transportation under Medicaid is the next largest Federal funding source for human services transportation, but Medicaid rules create barriers that encourage duplication of services—creating waste and preventing coordination between public and private providers.

How would you assess the Federal Coordinating Council on Access and Mobility’s work to encourage changes to Medicaid program rules that would help facilitate coordination?

A.1. The Coordinating Council on Access and Mobility (CCAM) has made significant progress in the past 2 years engaging stakeholders to identify existing challenges in the receipt of needed transportation services and to facilitate coordination with non-emergency medical transportation (NEMT) services in the Medicaid program. The Medicaid program is a joint Federal and State program that gives State Medicaid agencies significant flexibility with respect to the design and implementation of Medicaid services, including NEMT, within certain Federal program rules.

Activities have included three CCAM stakeholder listening sessions, and one joint FTA and Centers for Medicare & Medicaid Services (CMS) public transportation stakeholder listening session on NEMT, as well as a “lessons learned” assessment of Mobility Ohio. These efforts helped FTA identify critical areas where stakeholders are met with challenges and CCAM has shared this valuable information with CMS. CCAM continues to work with CMS to share stakeholder feedback to help inform CMS’ understanding of the challenges stakeholders face, and where stakeholders may benefit from further clarification of the statutory and regulatory parameters of Medicaid funding and the flexibilities available to State Medicaid agencies in the administration of their Medicaid programs.

Many of CCAM’s efforts are ongoing. Under FTA’s leadership, a CCAM Strategic Plan (Plan) for the years 2023 to 2026 is currently under development. CMS will lead a task in the Plan to develop a Medicaid coordination fact sheet to help inform transportation coordination partnership conversations between State Medicaid Agencies and State Departments of Transportation. CMS will also coordinate with FTA on the next Notice of Funding Opportunity (NOFO) for the Pilot Program for Innovative Coordinated Access and Mobility (Section 3006(b) of the FAST Act (Pub. L. 114-94, Dec. 4, 2015)). A link will be included in the NOFO to the anticipated CMS 2023 guidance to help inform potential applicants about flexibilities within Medicaid NEMT.

Q.2. What are the most significant obstacles to NEMT coordination that result from Medicaid program rules?

A.2. Stakeholders have raised several areas where they believe additional guidance would be helpful. These include:

1. *Governmental Entities/State Departments of Transportation (DOT) Acting as Medicaid NEMT Brokers*

Stakeholders have asked for additional information regarding a State DOT's ability to act as a broker of NEMT service, which they have indicated will improve coordination with existing public transportation infrastructure, leading to improved access, efficiency, and affordability, especially for rural beneficiaries.

2. *Public Transit Systems and Self-Referral Prohibitions*

Stakeholders have noted a desire for further clarity around the Medicaid program's exceptions to the "self-referral prohibition".

To prevent unethical financial benefits to providers, CMS has a long-standing prohibition against self-referral in the provision of medical services to Medicaid beneficiaries. Self-referral occurs when one entity has investment or ownership interest in the other, resulting in personal or corporate financial gain to one or more of the parties when patients are referred for services between the two entities.

State DOTs and public transit agencies have raised concerns about how these rules may apply in circumstances such as when a State DOT refers an NEMT trip to a public transit provider. Though Medicaid regulations provide an exception for Government entities to meet certain conditions, some stakeholders have indicated that they would benefit from further clarification of these rules.

3. *Reimbursement for ADA Complementary Paratransit Services for NEMT Medicaid Sponsored Rides*

Some stakeholders have expressed concerns about the Medicaid payment rate for NEMT services provided to Medicaid beneficiaries in circumstances in which ADA complimentary paratransit services are necessary, given the needs of the beneficiary.

Generally, States have flexibility with respect to the methodologies used to determine payment to Medicaid providers, provided certain Federal statutory and regulatory requirements are met. Stakeholders have indicated that it would be helpful for brokers to be required or encouraged to establish payment methodologies that reflect the cost of services in circumstances in which ADA complimentary paratransit services are necessary.

Q.3. *Advancing Racial Equity and Supporting Underserved Communities*—In your testimony, you spoke about the FTA's commitment towards addressing the needs of communities that have been historically overburdened and underserved, in alignment with the President's Executive order on Advancing Racial Equity and Support for Underserved Communities.

Please share how FTA is working to achieve this commitment and please note steps FTA plans to take in the remainder of 2022 and in 2023.

A.3. FTA is committed to addressing the needs of communities that have historically been overburdened and underserved. This commitment is reflected in the forthcoming FTA FY 2022–2026 Strategic Plan, which provides a roadmap for how FTA will implement its mission to improve America's communities through public transportation. In FTA's Strategic Plan, improving equity is prioritized as a strategic goal, and one of FTA's strategic objectives is to re-

move barriers to transit access for underserved communities. In 2023, FTA will continue to employ the resources and tools at its disposal—including funding, policymaking, and intra/interagency coordination and outreach toward that objective.

With respect to funding, FTA has elevated the consideration of equity in its review and selection processes for Notices of Funding Opportunities (NOFOs), including two recent notices. In our FY 2022 All Stations Accessibility Program (ASAP) NOFO, published on July 26, 2022, FTA stated that it will “give priority consideration to applications that advance racial equity in two areas: (1) planning and policies related to racial equity and overcoming barriers to opportunity; and (2) project investments that either proactively address racial equity and barriers to opportunity, including automobile dependence as a form of barrier, or redress prior inequities and barriers to opportunity.” FTA has included the same consideration in the FY 2022 Ferry Programs NOFO (Passenger Ferry Program, Low-No Ferry Program, and Rural Ferry Program), published on July 8, 2022.

In terms of policymaking, FTA is working diligently to update existing guidance and supporting Departmental regulatory efforts to advance equity and address the needs of historically overburdened and underserved communities. In 2023, FTA expects to publish proposed updates to its Title VI Circular, which provides FTA recipients with direction on program-specific issues and statutory and regulatory requirements. In alignment with the Executive Order on Advancing Racial Equity and Support for Underserved Communities, the updated Title VI Circular would help remove barriers to transit access for underserved communities by strengthening the requirements for public participation and equity analyses. Improvements to the public participation process would increase transparency and accountability to underserved communities, and enhancements to equity analyses can help ensure overburdened communities, such as racial minorities and low-income communities, do not experience disparate impacts or disproportionate burdens for service changes, fare changes, or the construction of transit facilities.

In support of intra/interagency coordination and outreach, FTA will continue assisting the DOT Office of the Secretary in its proposed improvements to the Disadvantaged Business Enterprise (DBE) Program. The DBE Program is designed to remedy ongoing discrimination and the continuing effects of past discrimination in federally assisted transit, highway, and airport contracting. DOT recently published a Notice of Proposed Rulemaking (NPRM) to modernize the DBE program regulations, which would help further level the playing field for small, disadvantaged businesses—businesses owned and controlled by individuals from historically overburdened and underserved communities—seeking to compete for federally assisted transportation contracts. The proposals would allow more firms to become certified more quickly, ensure they are paid on time, and help the Department enforce these important rules. For FTA recipients, the proposals would reduce the administrative burden on our smaller and rural recipients, which would allow them to devote more resources to conducting their DBE programs and awarding contracts to DBE firms. FTA will continue to

support this DOT effort by advising on transit and transit-vehicle-specific DBE rulemaking matters.

In addition, FTA is working closely with the Office of the Secretary to update the Department's accessibility standards for buses and vans under the Americans with Disabilities Act (ADA), consistent with the Final Rule issued by the U.S. Access Board on December 14, 2016. The Access Board has the statutory authority to develop and issue such standards, but it is incumbent upon DOT to incorporate those standards into its ADA regulations as enforceable standards. These changes would ensure that buses and vans used in public and private transportation systems are readily accessible to and usable by people with disabilities, fulfilling the Department's goal of spontaneous travel by wheelchair users. DOT anticipates issuing a Notice of Proposed Rulemaking (NPRM) in 2023. This ADA bus and van rulemaking will be followed by amendments to the DOT ADA regulations governing the provision of transportation services, and revisions to the standards for buildings and facilities to achieve more equitable access.

In 2022 and 2023, FTA will also continue to support DOT's Equity Action Plan and Justice40 Initiative work by deploying policy, technical, and senior staff to engage and participate in action teams and workgroups. For example, experts from FTA's Offices of Budget & Policy, Civil Rights, and Planning & Environment are actively participating in the action team to update DOT's Public Involvement Guidelines, which has a renewed focus on addressing the needs of historically overburdened and underserved communities. Last updated in 2015, DOT plans to publish the updated Public Involvement Guidelines by 2023.

Finally, FTA has been working with the Office of the Secretary and other DOT modes to implement the Justice40 initiative. This initiative is working toward the goal that at least 40 percent of the overall benefits of certain Federal investments go to historically disadvantaged communities. FTA is helping with the analysis of its historical benefit distribution to inform future funding allocations and is working with OMB to identify next steps in the implementation of Justice40.

Q.4. How is the FTA working with the Minority Business Development Agency (MBDA) to advance contracting opportunities minority owned businesses?

A.4. The U.S. Department of Commerce's Minority Business Development Agency (MBDA) is a valuable resource in FTA's administration of the Disadvantaged Business Enterprise (DBE) programs. The MBDA provides tools that help level the playing field for women- and minority-owned small businesses competing for transportation contracts. On September 20, 2022, the U.S. Department of Transportation (DOT) signed an MOU with MBDA to formalize an agreement between the two to promote data driven policies and increase access to opportunities for diverse businesses throughout the transportation sector.

While there are important differences between DBEs and MBEs, firms that qualify as DBEs under USDOT's program are often eligible to benefit from MBDA programs, and FTA staff routinely recommend MBDA's resources. Some of the most persistent barriers

reported to FTA by DBEs include access to capital and awareness of contracting opportunities. The MBDA has resources and tools devoted to solving those problems. FTA is especially encouraged by some of MBDA's recent announcements that FTA believes will result in more DBEs working on transit projects. For example, FTA is excited about the MBDA's funding dedicated to hiring procurement support specialists in its Business Centers. These specialists will focus on connecting businesses to BIL-funded opportunities, many of which will be transit projects.

FTA recognizes the need for more women- and minority-owned small businesses competing for transportation contracts, and that FTA needs to provide resources to those businesses so that they are well-positioned to start working when the opportunity arises. While FTA's biggest impact on advancing contracting opportunities for women- and minority-owned small businesses is through effectively administering and improving the DBE program, in conjunction with our colleagues throughout the Department, FTA will continue to promote the MBDA to our DBE stakeholders as a valuable tool.

**RESPONSES TO WRITTEN QUESTIONS OF SENATOR TOOMEY
FROM NURIA FERNANDEZ**

Q.1. *Capital Investment Grants (CIG) Program*—The Federal Transit Administration (FTA) is permitting transit agencies who are seeking funding for expansion projects through the Capital Investment Grants (CIG) program to use prepandemic ridership data from 2019 or 2020 to make ridership projections. Ridership data is an important criteria in qualifying a project for a CIG grant. The U.S. is well past the depths of the pandemic from 2020, and transit agencies have ridership data from 2021 and 2022 on which they could base their ridership projections.

Yet, FTA is allowing transit agencies to use obsolete prepandemic ridership data when FTA is aware that ridership is currently only about 60 percent of prepandemic levels today and multiple transit agencies project that ridership will not return to prepandemic levels anytime soon, if ever.

Why is the FTA continuing to permit transit agencies to knowingly use inflated ridership projections for the CIG program?

When is FTA going to end the concerning practice of allowing transit agencies to use inflated ridership projections to justify requests for expansion projects?

A.1. In the spring of 2022, FTA gave direction to project sponsors preparing submittals for the Fiscal Year (FY) 2024 Annual Report on Funding Recommendation for the CIG program that ridership forecasts for proposed CIG projects may be derived from transit service, fare policy, and ridership information from before the COVID-19 pandemic (i.e., 2019 information reflecting prepandemic conditions rather than data from 2020 or later). FTA's communication also notified project sponsors that while FTA would rate and evaluate projects for the FY24 Annual Report using this prepandemic information as the basis for the ridership projections, there would be continued monitoring of current ridership trends. FTA encouraged project sponsors to review and submit their best-available prepandemic data (from 2019 or early 2020), as well as

their latest ridership data for transit services currently operating within the proposed CIG project corridor. This guidance was developed because transit service and ridership have been in—and remain in—flux since the start of the COVID–19 pandemic in 2020.

Before making the announcement regarding the flexibilities in ridership projections that would be accepted from CIG project sponsors to inform the FY24 Annual Report to Congress, FTA examined the monthly ridership data reported to the National Transit Database (NTD) between mid-2021 and early 2022. That review revealed that the COVID public health emergency has caused transit ridership to fluctuate significantly since the spring of 2020 and that ridership numbers by mode and transit agency varied significantly. At the time of the analysis, ridership did not appear to have reached a sustained, consistent level of ridership for 6 to 12 months without a pandemic related event causing a reduction of travel and in-person economic activity.

Until vaccines for COVID were widely available and distributed in 2021, many businesses had not fully reopened, which affected transit ridership. The period from Spring 2021 (as vaccines started being distributed) through Fall 2021 saw very strong growth in transit ridership nationwide of approximately 40 percent. The Omicron variant, which impacted the period from late 2021 through early 2022, eroded ridership gains. As the Omicron variant waned, ridership began to return.

The NTD data represents systemwide information and is not specific to the proposed CIG project corridor. While this data can inform overall trends in the system, the ridership levels occurring on transit service within the proposed CIG project corridor may be better or worse than the system trend. For this reason, FTA has asked project sponsors to also provide their most current ridership for their project corridor. This information provides context to the prepandemic ridership projections.

FTA is continuing to monitor trends based on NTD data as well as gathering data from transit agencies around the country to inform its decision-making. In Spring 2023, FTA will prepare its updated set of instructions to CIG project sponsors for reporting information for the FY25 Annual Report to Congress, at which time FTA will provide specific guidance to project sponsors on ridership projections.

Q.2. *Advanced Digital Construction Management Systems*—The Advanced Digital Construction Management Systems is a new program established under FTA’s Innovation Program in the Infrastructure Investment and Jobs Act. You testified that you anticipate issuing information on this program towards the end of this year.

Beyond the statutory criteria, can you explain your goals for this program?

A.2. FTA’s overarching goal is to provide information to transit agencies on resources available for managing the implementation of capital projects through Advanced Digital Systems.

Q.3. Can you describe how you plan to implement this program within the existing FTA research budget?

A.3. FTA is developing a demonstration program using FY 2022 and FY 2023 Public Transportation Innovation funding for a fully integrated, construction lifecycle digital management system in major infrastructure projects. Transit agencies, private sector companies and consulting firms participating in the program will deploy advanced digital construction management systems, assess how well the implementation of the integrated solution progresses, and then document the most promising practices to help other agencies benefit from the research. FTA's approach builds upon FHWA's management of its Advanced Digital Construction Management Systems for project delivery. As a first step, FTA will give a presentation on this new program and gather input from FTA grant recipients that are administering program management systems at its upcoming Construction Workshop. Participants will be asked to share their current experiences using digital construction management systems to help inform the development of this new program.

Q.4. Will there be a special, designated program officer for this program?

A.4. Yes.

Q.5. Throughout the Infrastructure Investment and Jobs Act, there are references to "innovative design" and "innovative technology" to be considered by Federal agencies to achieve certain programmatic outcomes.

How do you plan to leverage digital technology in FTA's discretionary grant programs?

A.5. Digital technology is an eligible expense in many of FTA's discretionary grant programs. For example, FTA's Grants for Buses and Bus Facilities Competitive Program allows for the purchase of digital farebox equipment, signage and route display technology for bus stops, and route optimization software. FTA's All Stations Accessibility Program (ASAP), which is a new competitive program authorized through the Bipartisan Infrastructure Law, also allows for the implementation of digital technology to ensure that pre-ADA, legacy rail stations are accessible for all. FTA continues to provide resources and technical assistance to the public transportation industry on digital technology eligibilities within all of FTA's formula and competitive programs and how these technologies can support mobility for all. FTA's National Center for Applied Transit Technology also provides technical assistance and training to small urban, rural, and tribal transit systems to help them understand the use of technology tools.

Q.6. *Safety and Security on Transit Systems*—There is a disturbing rise in crime that is affecting transit agencies across the country. At the July 12th Banking Committee hearing, you offered to provide me and my staff the specific amounts that transit agencies have spent towards mitigating crime on their systems. Please provide the following information from fiscal year 2019 to the present:

The amount of Federal taxpayer dollars transit agencies have spent on security, denoted by formula program and by fiscal year.

Separately, provide the above amounts for Central Puget Sound Regional Transit Authority, Chicago Transit Authority, Los Ange-

les County Metropolitan Transportation Authority, Southeastern Pennsylvania Transportation Authority, Massachusetts Bay Transportation Authority, and the New York Metropolitan Transportation Authority.

A.6. FTA is committed to ensuring safe and secure transit systems for both transit riders and workers. While many FTA funded investments include infrastructure upgrades or enhancements as well as activities to protect transit riders and workers, safety and security expenses are not delineated as an expense category that transit agencies are required to report separately to the National Transit Database or the grant management system. In large urban areas, FTA formula grants are used primarily for capital and planning projects. FTA grant recipients would include security investments, such as cameras, in their overall grant funded project costs. Federal grant recipients in urbanized areas use their local or State funds to procure law enforcement safety and security services and in rural areas, Federal formula funds may be used for crime prevention efforts.

As of 2022, the Infrastructure Investment and Jobs Act now requires transit agencies that serve large Urbanized Areas and receive section 5307 Urbanized Area Formula Grant funds to set aside at least 0.75 percent of those funds for safety related projects. Based on the FY22 formula split letters provided by each Urbanized Area's Designated Recipient, the required minimum set aside for safety related projects for the agencies listed above are as follows:

Agency	5307 Formula Funds	Required <i>Minimum</i> Set Aside for Safety Related Projects
Central Puget Sound Regional Transit Authority	\$35,363,598	\$265,227
Chicago Transit Authority	\$167,175,481	\$1,253,816
Los Angeles County Metropolitan Transportation Authority	\$220,876,869	\$1,656,577
Southeastern Pennsylvania Transportation Authority	\$135,504,107	\$1,016,281
Massachusetts Bay Transportation Authority	\$185,011,869	\$1,387,589
New York Metropolitan Transportation Authority	\$726,205,346	\$5,446,540

In addition, FTA's Urbanized Area Formula program requires all recipients to spend at least one percent (1 percent) of their apportionment on security projects, unless the recipient certifies the ex-

penditure for security projects has been addressed through other program funds.

In addition to Urbanized Area Formula grants, FTA Formula Grants for Rural Areas, FTA State of Good Repair Grants, and FTA Grants for Buses and Bus Facilities can all be used to support a range of crime prevention efforts and safety and security projects. The set aside numbers in the table above provide the baseline requirements for these transit agencies receiving Federal assistance, but do not encompass all Federal investment in transit agency safety expenditures for FY 2022.

Q.7. Within each formula program, if applicable, provide how much was spent on capital versus operating for security purposes.

A.7. As noted above, FTA does not directly track agency expenditures for security purposes, so cannot currently provide this breakdown of expenditures. However, FTA formula grants primarily fund capital and planning projects, so most of the spending for security purposes is in capital investments.

FTA's largest formula program, the Urbanized Area Formula Grant Program (Section 5307), supports public transportation by allowing for investment in crime prevention, safety, and security equipment. This may include projects such as increased lighting, increased camera surveillance, installation of telephone lines, and new technologies or intelligent transportation systems that improve public safety.

In addition, FTA Formula Grants for Rural Areas Program (Section 5311) provides formula funding to States for areas with a population of less than 50,000. Section 5311 can fund a variety of planning, operating, and capital expenses, which can be used to support the prevention of driver and passenger assaults on rural public transportation systems.

Q.8. FTA launched the Enhanced Transit Safety and Crime Prevention Initiative to help transit agencies mitigate crime that is taking place on their systems. A Request for Information (RFI) on Transit Safety Culture was posted to the *Federal Register* on July 15, 2021, with comments to be submitted by September 22, 2021.

To date, what has FTA done with the information that was submitted to the RFI?

Are there any efforts by FTA to issue new guidance, regulations, or distribute information via a Dear Colleague using information gathered from the RFI?

A.8. FTA published two related Requests for Information (RFI) in 2021. The first, published on July 15, 2021, captured information from the industry on transit safety concerns that FTA should evaluate for potential action at the Federal level. The second, published on September 24, 2021, captured information on safety topics that affect transit workers in two areas: Rail Transit Roadway Worker Protection (RWP) and transit worker assault prevention.

FTA has reviewed and categorized all responses to the RFIs published in 2021. This information has helped inform FTA's safety risk management (SRM) process and addressed the prioritization of safety concerns in an SRM Action Plan.

Additionally, information from the two RFIs are informing rule-making and policy update activities currently underway, including

(1) a Notice of Proposed Rulemaking (NPRM) effort for Public Transportation Agency Safety Plans, (2) a proposed update to FTA's National Public Transportation Safety Plan, (3) revisions to NTD safety data collection forms and definitions, (4) additional data analysis related to transit worker assault risk, and (5) a proposed rulemaking on Rail Transit Roadway Worker Protection.

Information collected through the RFIs underscored the need to continue to expand availability of Workforce safety-related resources and training. FTA partnered with the National Transit Institute to increase course offerings, and FTA expanded the availability and promotion of training related to worker safety, including "Assault Awareness Prevention for Transit Operators" and "Violence in the Transit Workplace". FTA has also increased communication regarding available Federal grant funding to support rider and employee safety and to address priorities identified in RFI responses.

Q.9. *Public Transportation Agency Safety Plan*—The Infrastructure Investment and Jobs Act includes changes to the public transportation agency safety plan (PTASP) requirements. These changes require that, for large public transit agencies, a Safety Committee be formed consisting of equal numbers of management and frontline workers, who will be tasked with approving the PTASP. The Safety Committee will have significant authority. Moreover, FTA's Urbanized Area Formula Grants are tied directly to an approved PTASP.

How will FTA ensure that the Safety Committees remain focused exclusively on safety, and not serve as a forum for collective bargaining or other issues?

A.9. FTA is preparing to issue a Notice of Proposed Rulemaking (NPRM) updating the PTASP in response to the new requirements established in the Bipartisan Infrastructure Law. The NPRM will address the role of the safety committees. FTA will review implementation of the PTASP requirements, including the role of the Safety Committee in approving the Agency Safety Plan, through its ongoing oversight activities, including Triennial Reviews and State Management Reviews.

RESPONSES TO WRITTEN QUESTIONS OF SENATOR SINEMA FROM NURIA FERNANDEZ

Q.1. 1. What steps has the FTA taken to ensure that rural transit is improved by the bipartisan infrastructure law and what resources are available to rural areas looking to improve their transit systems?

A.1. FTA is committed to improving America's communities through public transit. The Bipartisan Infrastructure Law continues the Formula Grants for Rural Areas Program, increasing its funding approximately 23 percent from \$728 million in FY21 to \$896 million in FY22. FTA will continue administering the Formula Grants for Rural Areas Program that provides capital, planning, and operating assistance to States and federally recognized Indian tribes to support public transportation in rural areas with populations less than 50,000, where many residents often rely on transit to reach their destinations. Five percent of Formula Grants

for Rural Areas funding is available for the Public Transportation on Indian Reservations Program (approximately \$44 million in FY22).

The Bipartisan Infrastructure Law also provides funding for State and national training and technical assistance through the Rural Transportation Assistance Program (RTAP) (approximately \$17 million in FY22). FTA will continue administering the RTAP which 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.

Additionally, the Bipartisan Infrastructure Law requires a minimum of 15 percent of the amount awarded under the Buses and Bus Facilities Competitive Program to be awarded to projects located in rural areas. FTA exceeded that threshold in the most recently announced FY22 round, providing approximately 23 percent of the funding to rural public transportation providers.

The Bipartisan Infrastructure Law also established a Ferry Service for Rural Communities Program (Rural Ferry Program) that makes approximately \$200 million in competitive grants available annually to States to ensure basic essential ferry service is provided to rural areas. FTA published a Notice of Funding Opportunity (NOFO) for the Rural Ferry Program, along with FTA's two other ferry programs, on July 8, 2022. FTA conducted informational webinars for potential applicants, including a webinar focused on the rural ferry program and the Electric or Low Emitting Ferry Program on July 28, 2022. For the Buses and Bus Facilities and Low or No Emission grant programs, FTA conducted an informational webinar for rural and tribal applicants on March 30, 2022. In FY 2022, FTA awarded approximately \$188M in funding to rural and tribal communities through the Bus and Bus Facilities and Low or No Emissions grant programs.

FTA is increasing and enhancing the technical assistance it provides to rural and tribal transit providers. FTA's regional offices and technical assistance centers work directly with rural and tribal transit operators to help them address issues and improve the efficiency of their transit systems. FTA's technical assistance centers (TA Centers) also have created the Transportation Technical Assistance Coordination Library (TACL), which is an online library that helps rural transit agencies coordinate among federally funded transit programs and share resources across agencies to improve transit in their communities.

FTA and its TA Centers and contractors work directly with Tribes to ensure they understand FTA's requirements for grant programs, and to provide targeted technical assistance to address specific needs of Tribes throughout the country. Along with these efforts, FTA plans to conduct consultations with tribal grantees to enhance communication and Government-to-Government relationships. FTA works with the Office of the Secretary on the U.S. DOT's Rural Opportunities to Use Transportation for Economic Success (ROUTES) initiative, which helps rural communities address their transportation challenges. Finally, FTA attends industry and tribal conferences to provide technical assistance to rural and tribal recipients.