



DEPARTMENT OF
TRANSPORTATION

NEWS

**URBAN MASS TRANSPORTATION
ADMINISTRATION**

WASHINGTON, D. C. 20590

BACKGROUND INFORMATION

ON THE

URBAN MASS TRANSPORTATION ADMINISTRATION

THIS KIT CONTAINS:

1. GENERAL BACKGROUND
2. PROGRAM BACKGROUND
3. LEGISLATIVE BACKGROUND

FOR FURTHER INFORMATION CONTACT:

UMTA OFFICE OF PUBLIC AFFAIRS
Room 9330 - (202) 426-4043
400 7th STREET, S.W.
WASHINGTON, D.C. 20590

GENERAL BACKGROUND

URBAN MASS TRANSPORTATION ADMINISTRATION

Urban transportation investments by the Federal Government started in 1961. In that year, Congress approved a pilot program of mass transit assistance to State and local public bodies. Twenty-five million dollars was provided in the Housing Act of 1961 for a limited program of mass transit demonstration grants and technical assistance, and a \$50 million borrowing authority was enacted to assist local capital investment programs.

These programs were first administered by the Housing and Home Finance Agency, which later became the Department of Housing and Urban Development, (HUD). The programs were considerably expanded by the Urban Mass Transportation Act of 1964.

In 1966, Congress authorized three new supplemental programs: 1) Technical study grants for systems design, engineering and studies to improve transit management and operations; 2) Grants for advanced training of managerial personnel in local transit systems; and 3) Grants to institutions of higher learning for graduate research and training programs.

The Urban Mass Transportation Administration (UMTA), was established on July 1, 1968, when the Federal responsibility in urban mass transportation was transferred to the Department of Transportation from the Department of Housing & Development (HUD). All major programs assisting urban transportation thereby were consolidated in one department of the Government.

UMTA is one of seven operating administrations of the U.S. Department of Transportation. (The others: Federal Highway, Federal Railroad, Federal Aviation and National Highway Traffic Safety Administrations, the U.S. Coast Guard and the St. Lawrence Seaway Development Corporation.)

Working closely with the Federal Highway and Federal Aviation Administrations, and with HUD, UMTA is giving new emphasis to the evaluation of urban transportation alternatives, to the more effective coordination of different modes of transportation, to the impact of transportation on city growth and structure, and to the preservation of urban values.

UMTA assists and promotes urban transportation systems through programs of financial aid to local public bodies and through directed research, development, and demonstration which include:

Capital Improvement Grants--to public bodies providing 80 percent of the cost for new system equipment and modernization of transit facilities.

Research, Development and Demonstration Projects--for studies, tests, and demonstrations of new ideas, methods, systems, and equipment for improved transportation planning and operations.

Technical Studies Grants--to public bodies providing up to 100 percent (UMTA administrative policy dictates 80 percent) of the cost for engineering plans and designs of urban mass transportation systems, and for other technical studies.

Managerial Training Grants--for fellowships for advanced training of personnel employed in managerial, technical, and professional positions in the urban mass transportation field.

University Research and Training Grants--for non-profit educational institutions combining comprehensive research and research-training in urban transportation problems.

Funding under the Urban Mass Transportation program now totals more than \$1 billion per year. Further, the Federal-Aid Highway Act of 1973 opens the urban system authorization to transit and all highway funds to exclusive lanes, traffic control devices, bus shelters, parking facilities, etc. In addition, Interstate Highway Funds are also made available for transit purposes under certain conditions.

PROGRAM BACKGROUND

URBAN MASS TRANSPORTATION ADMINISTRATION

The Problem: Rapid Urbanization and Unbalanced Transportation

Nearly 80 percent of all Americans live in cities. By the end of this century that proportion will rise to 90 percent. By the year 2000, U.S. population will increase by more than 100 million, almost all of it in cities. This growth will be reflected as much in the expansion of rapidly growing small and medium-sized communities as in the growth of the Nation's biggest cities.

There are now more than 105 million motor vehicles in use in the United States, double the number registered in 1950. By the year 2000, their number may double again. The car population in our cities is increasing even more rapidly than the urban human population. Urban dwellers depend increasingly on the automobile to meet their transportation needs.

Largely as a result of increasing auto ownership and use, public transportation in cities has declined in quality and availability. Transit patronage today is less than three-fourths of what it was 15 years ago, and only a third what it was 25 years ago. Public transportation is caught in a cycle of increasing costs, rising fares, shrinking profits, decreasing quality, and declining traffic.

Public support of auto-highway oriented transportation in urban areas has greatly disadvantaged the poor. While nearly all families with incomes in excess of \$10,000 have a car, less than half those with poverty-level incomes (under \$3,000) own an automobile. Most new jobs for unskilled and semi-skilled workers now being created are in the suburbs. The core-city unemployed are, therefore, compelled to use low quality, increasingly costly public transit to seek work and often no transit is available at all. Their economic and social isolation solidifies.

The Needs

If city residents are to be given meaningful transportation alternatives, Federal, State and local cooperation will be needed to construct new rapid transit systems, modernize existing systems, improve bus transportation, and develop new circulation systems for downtown and suburban areas.

The key elements of the proper future Federal role follows.

1. At least until 1980, to provide general fund financial assistance in the 1-1/2 to \$2 billion a year range to help urban areas, especially the larger ones, improve the quantity and quality of public transit. This Federal assistance should be directed mainly towards cost-efficient solutions of existing urban transportation problems. It should only secondarily be directed to the broader objectives of stimulating urban-area economic growth and increasing central city density.

2. To encourage local urban planners to bear more of the burden of deciding which of the many competing programs they wish to push, given the limits on financial resources, and which they will defer. These are decisions that can best be made at the local level with Federal help in providing the data, guidelines, and criteria needed to make prudent decisions. More responsible local decision making should improve the quality of planning and increase the productivity of the resulting investments.

3. To develop -- and encourage local areas to implement -- various incentive systems to force more efficient vehicular usage of our existing streets and highways. A necessary part of such an approach is to see that the automobile does, in fact, pay its share of all the costs that it imposes on the cities. This could mean stiff parking taxes and possibly even some form of special "rush hour" license plates. For some cities it might even mean banning or severely limiting automobile access to the central core. The automobile must be brought into the mass transit solution, rather than trying to work around it. It should be fitted into peak-hour capacity -- by such approaches as work-hour staggering, car pooling, and by sophisticated traffic flow controls. Further, by creating special bus lanes and "minibus" home pick-up and delivery service, reasonably large numbers of people may be enticed to switch from their cars, especially as gasoline prices, downtown parking rates, and other costs of automobile ownership and usage rise. Bus system managers must also learn how to be better salesmen and better operators.

4. To continue to seek better mass transit technology, especially those that involve the "personal rapid transit" concept. New ideas -- especially ones that have favorable cost/benefit relationships and that, from the users' standpoint, offer attractive alternatives to the private automobile must be developed.

LEGISLATIVE BACKGROUND

URBAN MASS TRANSPORTATION ADMINISTRATION

U.S. Government assistance has been available to urban mass transportation since 1961. In that year, largely as a result of growing railroad financial difficulties, especially commuter services, an emergency loan program was inaugurated by a provision of the Housing and Urban Development Act of that year. A small test and demonstration program was also authorized.

Several years of experience demonstrated the inadequacy of the Federal program, and in 1964 the Urban Mass Transportation Act established a program of Federal matching grants (2/3rd - 1/3rd) for preservation, improvement and expansion of urban mass transportation systems. The law included strict local planning requirements and labor protective provisions.

A modest research and development program authorized by the basic Act was greatly augmented by a 1966 Amendment which directed the Secretary to lay out a comprehensive research program which would improve the convenience, speed, safety, and cleanliness of urban mass transportation. A training program for transportation managers and transportation experts was also authorized.

By 1968, it was clear that the Federal program -- aggregate dollar authorizations under the 1964 Act had been \$1,165 million -- was still inadequate, especially in the light of annual Federal support for urban highways exceeding \$2 billion.

Urban population continued to increase rapidly and in spite of large highway expenditures urban congestion increased accordingly. Public transportation systems deteriorated in nearly all cities, many disappeared, others remained in acute financial difficulty. Fare increases only aggravated traffic loss and revenue deficits. Cities had high and increasing demands upon their revenue sources and therefore, could not solve their mass transportation problems without Federal aid.

There was general agreement in the Administration that a new mass transportation program must be financed on a priority basis and that its essential characteristics should include: (a) a substantially higher program level --

\$10 billion, (b) a substantially longer period of assured Federal funding -- 12 years as against current year-to-year financing, and (c) a reasonable guarantee of continuing availability of Federal support -- contract authority for \$3.1 billion during the first five years.

Other features of the program were: (a) support for advance acquisition of right-of-way, (b) a greater role for State Government, (c) a greater role for private enterprise -- simplified requirements for private contribution of local share, and (d) public hearings to assure the acceptability of the program by affected local parties.

This program, the Urban Mass Transportation Assistance Act of 1970, was signed into law on October 15, 1970 and action was initiated to gain flexibility in the use of Highway Trust Fund monies.

The Federal-Aid Highway Act of 1973 which resulted from these initiatives authorized \$3 billion from general funds in contract authority for the urban mass transportation capital grant program. The increase established a \$6.1 billion program for capital grants and loans. The Federal share for these projects was increased from a flexible 2/3 to a mandatory 80 percent of the net project cost.

Under the Act the technical study program gained new flexibility in that 100 percent Federal funding (administrative policy limits Federal participation to 80 percent was authorized. The scope of such projects also was expanded to include the evaluation of previously funded projects.

Of historic significance was the Act's provision for flexibility in the use of highway funds for transit purposes. It made two principal changes: (1) it opened the urban system authorization to transit, both rail and bus and, (2) opened all highway funds to exclusive lanes, traffic control devices, bus shelters, parking facilities, etc. In addition to the Federal-Aid highway Urban System funds for "non-highway public transportation", Interstate Highway funds also were made available for these purposes under certain conditions.

On November 26, 1974 President Ford signed into law the National Mass Transportation Assistance Act of 1974. This legislation again amended the Urban Mass Transportation

Act of 1964 to establish an \$11.8 billion, six-year mass transportation program for both capital and operating assistance.

This legislation is of great significance for the future of mass transportation, and represents a major opportunity to improve the quality of life, particularly for those living and working in our urban centers.

The resources and flexibility provided by this Act, when used in conjunction with the resources and flexibility provided by the Federal-Aid Highway Act of 1973, give States and local areas an opportunity to deal comprehensively with their urban transportation problems. For the first time, Federal funds are available to assist localities in meeting the operating as well as the capital costs of maintaining and improving their mass transportation service. Metropolitan areas now have an opportunity to assess their total transit service needs and to meet them with Federal assistance. The Department of Transportation encourages communities to use this opportunity to reexamine their needs and reassess their priorities -- taking the widest possible perspective in considering uses for these Federal resources.

Of the \$11.8 billion provided by the Act, \$7.825 billion is available for mass transportation capital and planning projects which will be administered under the existing procedures of the Urban Mass Transportation Administration (UMTA). Up to \$500 million of this amount is available for capital projects in areas other than urbanized areas.

The major new provision is Section 5 of the Act, which provides for the apportionment of \$3.975 billion to urbanized areas by formula for use in either mass transportation capital or operating assistance projects.

DOT LIBRARY



00399287