



November 30, 2015

Docket Operations  
U.S. Department of Transportation  
1200 New Jersey Avenue S.E.  
West Building Room W12-140  
Washington, DC 20590-00011

RE: Docket No. FTA-2014-0020

Dear Docket Clerk:

The Community Transportation Association of America (CTAA) – representing its more than 4,000 members that operate and advocate for improved mobility options across the nation – hereby submits the following comments in response to the Notice of Proposed Rule-Making (NPRM) by the Federal Transit Administration (FTA) to establish a National Transit Asset Management (TAM) system.

There is universal acknowledgement – both from the FTA in its NPRM along with the transit industry – that current investment from levels of government is insufficient to meet both the capital and operating needs of the nation’s mobility providers and is unlikely to change in the foreseeable future. In order to help respond to this lack of investment, the FTA seeks to utilize a TAM system to assist agencies and organizations make the best use of limited assets. On this fundamental premise, CTAA agrees this is a worthwhile pursuit.

CTAA also supports treating smaller transit operators – rural, tribal specialized and small-urban systems, in particular – differently than large-urban and rail operators. The asset management capabilities and needs of large transit systems are very different than those of small-urban, rural, specialized and tribal transportation providers. Nearly all CTAA members would be categorized as Tier II systems. We believe the FTA’s NPRM wisely reflects these needs and capabilities, and the exemption of Tier II agencies from five of the nine elements of a TAM plan affirms this fundamental delineation.

Mindful of this important distinction, CTAA urges FTA to consider the resources and limitations of Tier II systems in its four mandatory elements of all TAM plans. While our members pride themselves on serving as good stewards of public investment, small urban, rural and tribal communities often find that funding is even more constrained than in large metropolitan regions. Because of their limited resources, these agencies and organizations usually do not possess large administrative departments to oversee data collection, performance prediction or advanced analytics that are frequently found at the nation's largest transit providers. We encourage the FTA to refine its TAM NPRM to incorporate scalable mechanisms for TAM plans appropriate to the size and scope of each agency. This includes avoiding a requirement – stipulated or a functional byproduct of the rulemaking – that small urban, rural or tribal providers need to hire additional staff to oversee compliance with new regulations. This would be both counter-intuitive to the objectives of the asset management approach as well as burdensome to already constrained budgets and will result in transit service reductions.

Moreover, CTAA shares the concerns expressed by the American Association of State Highway and Transportation Officials (AASHTO) in its comments regarding this NPRM regarding the impact on Section 5310 recipients. As many of these organizations and agencies whose primary functions are not providing transit service, applying TAM requirements to these providers significantly expands the potential number of assets to be considered beyond transportation vehicles and equipment, increasing workload mandated for compliance. At the same time, should additional staff be required to ensure compliance with these regulations, the increased administrative costs will lead to service cuts and job reductions elsewhere. Accordingly, CTAA concurs with AASHTO's recommendation that TAM plans for Section 5310 providers only be limited to FTA-funded assets.



Additionally, while CTAA generally supports the concept of group TAM plans for Tier II small-urban, rural and tribal systems overseen by the states, it recommends that the FTA issue clear and consistent guidance for these state-led TAM plans, especially in regards to consistency for all transit operators and providers. While the NPRM allows each state flexibility to establish state of good repair performance targets for its Tier II TAM plan group, CTAA is concerned about varying guidance and requirements issued considering the diversity of agencies and situations that will be reflected in the transit asset management system. We cannot over-emphasize the importance of having clear, consistent guidance from FTA with respect to the ongoing participation of its grantees and subrecipients in carrying out this regulation.

Throughout the NPRM, the FTA requires systems to estimate funding likely to be received in the future and prioritize investment decisions accordingly. While CTAA supports this methodology with ideal levels of investment, the same constrained and unpredictable funding FTA itself notes in the NPRM make forecasting and prioritization increasingly difficult. Transit providers, of all sizes and types, currently face conditions where no suitable capital funds will be available to replace vehicles, equipment and/or facilities. In many others, investment is scarce to such a degree that decisions are not able to match the agency or TAM group's performance targets. FTA must take this reality into consideration as it draws-up its TAM regulations.

CTAA urges the FTA to issue guidance on investment prioritization, performance measures and state of good repair in conditions with zero or severely limited capital investment.

Finally, in regards to the reporting and recordkeeping requirements stipulated in the NPRM, CTAA supports state-level maintenance of records and documents for Tier II TAM group plans along with NTD data, as it lessens the administrative burdens on smaller systems.



In conclusion, the public transit industry is large and diverse, and, understandably, it is a challenge for FTA to craft a transit asset management regulation that satisfies the law's demands for every transit system from the very largest and most complex, to the smallest single-vehicle transit agencies that we find in some rural communities and among some specialized transit services. We appreciate FTA's efforts to create a tiered approach that acknowledges this diversity in its asset management regulation. We also appreciate that FTA has taken a timely, thoughtful approach in addressing the requirement for a national transit asset management system. We appreciate that through the FTA's far-reaching ANPRM process, comprised of many listening sessions and webinars through which the transit industry's many players were engaged in this regulatory process. We are also grateful that process featured a number of sessions at our organization's conferences, and special webinars for rural and specialized transit providers and their partners. We appreciate this opportunity to have commented on FTA's proposed regulation, and we look forward to continued work with FTA to see that the goals of this requirement are addressed fairly and effectively.

Please contact CTAA's Communications Director, Scott Bogren, at [bogren@ctaa.org](mailto:bogren@ctaa.org) or 202.247.1921 to discuss our comments in further depth.

Sincerely,

Dale J. Marsico, CCTM  
Executive Director

## Section-By-Section Comments

### 1. Section 625.3 Applicability:

As written, this rule applies to all assets with a public transit nexus, regardless of whether those assets were acquired with federal financial assistance or are under the control of FTA grantees or subrecipients. Thus, for example, if an FTA grantee has a contract with a taxi company to provide paratransit service, all the taxi company's assets are also subject to this requirement. Or, if an FTA grantee engages the service of a technology-based transportation network company (such as Lyft, Uber, Bridj, etc.) to extend the breadth of transit-related services in its community, then all the privately-owned vehicles used in that service become subject to this requirement. T

We do not believe the Congress stipulated such broad-ranging, intrusive data collection when including Section 20019 in MAP-21, nor does it seem that FTA presents a compelling case for such an extensive scope in presenting this NPRM. Furthermore, even if these arms-length, third parties' assets were to be included in the asset management system, it is not clear how their inclusion helps advance the collective state of good repair for the nation's public transportation system. Instead, such a broad brush serves only to create an undue regulatory burden on taxi companies, transportation network companies, vanpool operations, intercity bus companies, and other ancillary partners to public transit agencies and transit operators. It is much more rational for the national transit asset management system and transit agencies' asset management plans to cover only those capital assets acquired with DOT funding and under the control of FTA grantees or subrecipients. As a result, CTAA recommends the following changes to § 625.3, highlighted in bold here:

#### § 625.3

##### Applicability.

This part applies to all recipients or subrecipients of Federal financial assistance under 49 U.S.C. Chapter 53 that own, operate, or manage capital assets used in the provision of public transportation, **and shall apply only to those capital assets that either are acquired with financial assistance from Title 23, U.S.C., or 49 U.S.C. Chapter 53, or are used for the provision of public transportation services under the direct control of agencies receiving operating assistance through 49 U.S.C. section 5307, 5310 or 5311.**

### 2. Section 625.5 Definitions:

**2.A. Capital asset** - As written, this covers everything that an FTA grantee or subrecipient may possess, almost infinitely reductive in its scope. As a result, the asset management system may become clogged-up with with items such as

benches, poles, bus shelters and office equipment. CTAA therefore suggests that FTA refine that definition with our recommended changes to § 625.5 again in bold:

*Capital asset* means a unit of rolling stock, a facility, a unit of equipment, or an element of infrastructure used in public transportation. **For the purpose of this part, only those capital assets with a current value exceeding \$5,000 shall be included in the national transit asset management system described in subpart B and transit agencies' asset management plans described in subpart C.**

**2.B. Tier II Providers** – As noted in our comments above, CTAA expresses strong concerns about the inclusion of all assets of Section 5310 providers in TAM plans. We propose the following changes here:

*Tier II provider* means a recipient or subrecipient of Federal financial assistance under 49 U.S.C. Chapter 53 that has one hundred (100) or fewer vehicles in revenue service during peak regular operations, across all modes of service, and does not operate a rail fixed-guideway public transportation system, or any subrecipient under **either the section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities program or the section 5311 Rural Areas Formula Program.**

**2.C. Useful life benchmark** - In the FTA's listening sessions and other venues, this new concept has created some confusion within the transit industry, since it's designed to be different than the useful life standards by which the amount of federal financial interest (and thresholds for vehicles under FTA bus testing) is determined. CTAA urges the FTA to work with its stakeholder network to draft uniform guidance on defining this term and clarifying its applicability to the asset management plans of FTA grantees and subrecipients.

### **3. § 625.29 Transit asset management plan: Horizon period, amendments, and updates.**

CTAA applauds the FTA for the language proposed at § 625.29 (Transit asset management plan: Horizon period, amendments, and updates). It did not have to require that asset management plans be prepared and updated on a cycle that coincides with the cycle of TIP and STIP development. But the only way that the asset management system can work meaningfully with the statutory mandate to set performance targets and produce success in bringing the public transit network ever-closer to a state of good repair is to have transit agencies' asset management plans be linked in both time and nature with the performance-based approach to planning that FTA and FHWA soon will be requiring this of both states and MPOs.