

# Federal Transit Administration (FTA) Funding Programs

National Park Service  
U.S. Department of the Interior



## FTA Funding Examples



Source: Friends of Acadia

### Acadia National Park

The Island Explorer bus system began operating in 1999 to provide free, seasonal service to Acadia National Park and its surrounding gateway communities. In collaboration with the NPS, Maine DOT allocated Formula Grants for Rural Areas (5311) program funds to the public transit provider, Island Explorer, which is operated by Downeast Transportation. In addition to 5311 funds, the transit system used several other funding sources, receiving private funds from the company L.L. Bean and Friends of Acadia, while the NPS provided the initial buses and staff resources. Maine DOT provided initial operating funds from the Congestion Mitigation and Air Quality Improvement (CMAQ) Program.

## Key Resources and Contacts

- [National Park Service Transportation Branch and regional transportation coordinators](#)
- [FTA Funding Programs](#)
- [Rural Transit Assistance Program \(RTAP\)](#)

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*Federal Transit Administration (FTA) funding programs offer opportunities to explore funding for transit services that serve both National Park Service (NPS) units and local communities. Of the many FTA funding programs that are used to finance the construction, operation, and maintenance of public transit systems, these are the most applicable to the NPS:*

- *Urbanized Area Formula Funding (5307): allocated to urbanized areas (defined by the U.S. Census Bureau as having populations of 50,000 or more) for transit capital and operating assistance, and for planning.*
- *Formula Grants for Rural Areas (5311): apportioned to states for capital, planning, and operating assistance to support public transportation in areas with populations of fewer than 50,000; funds for state and national training and technical assistance through the Rural Transportation Assistance Program (RTAP).*
- *Bus and Bus Facilities Programs (5339a/5339b): allocated formula funds or discretionary funds to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities including technology to modify low or no emission vehicles or facilities.*

## How can parks access FTA funding?

### Formula Funds

Formula funds are allocated to a designated recipient, which is typically the state or a metropolitan planning organization, based on characteristics such as population. These funds are frequently distributed to local transit agencies and/or local governments to use for existing transit systems.

### Discretionary Funds

Discretionary funds are awarded based on a competitive process, which differs based on whether the federal government, state, or local agency administers the program. States or other direct recipients can apply for grants directly or in a partnership. Distribution of these funds to local transit agencies and/or governments is not guaranteed.

## What activities are eligible?

Eligible activities under the Urbanized Area Formula Grant Program (5307) include planning, engineering, design, and evaluation of transit projects and technical transportation-related studies; capital investments in bus and bus-related activities; capital investments in new and existing fixed guideway systems, or public transportation systems that operate in a separate right-of-way; preventive maintenance; and some Americans with Disabilities Act (ADA) complementary paratransit service costs.

The Rural Area Formula Grant Program (5311) is flexible in its funding activities. Eligible activities include planning, capital expenses, operating expenses, job access and reverse commute projects, and the acquisition of public transportation services. Each state must spend at least 15 percent of its annual funding for this program on the development and support of bus transportation between cities (intercity bus service), unless it can demonstrate that these needs have been met.

Eligible activities under the Bus and Bus Facilities programs (5339a/b) include capital projects to replace, rehabilitate, and purchase buses, vans, and related equipment, and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.

# FTA Funding Programs

## Program Details

### Urbanized Area Formula Grant (5307)

Funds are apportioned to the state's governor for urbanized areas with populations between 50,000 and 200,000. For urbanized areas with populations 200,000 and higher, funds are allocated directly to a designated local recipient selected to receive federal funds.

#### Formula Funds

The federal share can be up to 80 percent of the net project cost for capital expenditures; this share can increase with projects that are in compliance with the ADA and the Clean Air Act.

### Formula Grants for Rural Areas (5311)

Funds are apportioned to states and federally recognized Indian Tribes, which then further distribute funds to state or local government authorities, nonprofit organizations, and operators of public transportation or intercity bus service. This program also provides technical assistance to rural areas through RTAP, which includes training materials, webinars, newsletters and technical briefs, peer resources, research, and innovative technology initiatives.

#### Formula Funds

These federal funds are apportioned to states and vary based on the type of activity:

- Capital projects have an 80 percent federal share
- Operating assistance has a 50 percent federal share
- ADA non-fixed route paratransit service has an 80 percent federal share

### Bus and Bus Facilities Formula & Discretionary Programs (5339a/b)

Bus and Bus Facility funding differs based on the formula program or discretionary program. The federal share of eligible capital costs is up to 80 percent of the net capital project cost; this share can increase with projects compliant with the ADA, Clean Air Act, and some bicycle projects.

#### Formula Funds

Formula funds are allocated to fixed route transit operators, which could include state or local governmental entities that are eligible to receive direct grants under 5307 and 5311. These recipients can further obligate these funds to subrecipients, which could include public agencies or private nonprofit organizations engaged in public transportation. Each state is guaranteed an equal and fixed amount of funding with additional formula funds, based on the state's population and amount of bus service provided within the state.

#### Discretionary Funds

Discretionary funds allow the FTA to evaluate project proposals and award funding to projects that fulfill the funding criteria. Projects must be submitted as part of a consolidated state proposal (except for projects submitted by Indian Tribes). States and other eligible applicants may also submit consolidated proposals for projects in urbanized areas, which could include projects for implementation by subrecipients. A detailed statement regarding the role of each public transportation provider should be included for projects with multiple public transportation providers. The selection process will consider the asset age and condition, and a low or no emissions bus deployment program.

## NEXT STEPS

### Build relationships with state DOTs and local governments

Establish ongoing collaboration with state departments of transportation (DOTs), metropolitan planning organizations (MPOs), local governments, and local public transportation operators to remain aware of potential funding opportunities, both from the FTA funding programs as well as others.

### Discuss programs with the NPS regional transportation coordinator

Each NPS region has a regional transportation coordinator who helps prioritize transportation projects in the region. They are responsible for coordination between NPS headquarters and their region's parks on transportation-related topics. The coordinators can also provide insight into the local match to FTA funding programs; in most cases, Federal Land Transportation Program (FLTP), Federal Land Access Program (FLAP), and NPS appropriated funds are eligible to be used toward the local match.

### Develop project ideas

Develop ideas for new or existing bus and bus facility projects by collaborating with community partners, state DOTs and local public transportation operators to identify projects that promote a sustainable, interconnected, and multi-modal transportation network.