

# Urban Mass Transit Assistance



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# Urban Mass Transit Assistance

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

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## State Mass Transit Operating Assistance

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

The distribution of mass transit aid payments consists of the following four tiers: (a) Milwaukee County/Transit Plus in Tier A-1; (b) Madison in Tier A-2; (c) the larger bus and shared-ride taxi systems in Tier B; and (d) smaller bus and shared-ride taxi systems in Tier C. While no funding is provided, 2009 Act 28 created Tier A-3, which includes any commuter or light rail mass transit system enumerated as a major capital improvement in the statutes (current enumerations include the Dane County commuter rail project and any project stemming from the Milwaukee downtown transit connector study). Act

28 also specified that funding for the other four tiers cannot be used to provide aid for a commuter rail or light rail transit system.

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

## Program Funding

Although program funding is appropriated on a fiscal year basis, contracts with aid recipients are on a calendar year basis. Table 1 shows the total state operating assistance payments to aid recipients for calendar years 2004 through 2013.

In 2012, 72 mass transit systems received \$106.5 million in state transit aid. Nearly 95% of

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

Calendar Year	Amount	Change
2004	\$98,661,400	
2005	98,661,400	0.0%
2006	100,634,600	2.0
2007	102,647,400	2.0
2008	110,013,600	7.2
2009	112,643,900	2.4
2010	114,863,100	2.0
2011	118,309,200	3.0
2012	106,478,300	-10.0
2013	106,478,300	0.0

this aid was distributed to bus systems, with the remainder being distributed to shared-ride taxi systems. In calendar year 2012, Tier A-1 received \$61,724,900, Tier A-2 received \$16,219,200, Tier B received \$23,267,200 and Tier C received \$5,267,000. Mass transit aid payments are made from sum certain, transportation fund appropriations.

## **Current Provisions**

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

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

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

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

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

5. The mass transit system must provide reduced fare (one-half or less of peak adult fare) programs for elderly and disabled persons during

nonpeak hours. An administrative rule exempts shared-ride taxicab systems from this requirement.

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

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

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

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

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

## **The Contract Process**

DOT signs annual contracts with each eligible applicant. Contracts are based on the transit system's projected operating expenses for the calendar year for which aid is received. Quarterly aid payments are made in April, July, October, and December. Each transit system has 10% of its

total contract amount withheld pending the results of an audit. Contracts must require the transit system to comply with DOT rules establishing cost efficiency standards as a condition of receiving aid.

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### **Paratransit Aid**

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Under 2011 Act 32, DOT is required to provide paratransit aid to assist eligible mass transit operating assistance recipients with the provision of paratransit service required under the Americans with Disabilities Act (ADA). Act 32 provided \$2.5 million annually in 2011-12 and 2012-13 to provide grants to eligible systems for these purposes.

In awarding the paratransit grants to eligible urban mass transit systems, the Department must: (a) maximize the level of paratransit service provided by those systems; and (b) give priority to eligible applicants for the maintenance of paratransit service provided on July 1, 2011. Beginning in 2011-12, DOT awarded \$2.5 million to fixed route bus systems that provide ADA-required paratransit services. In 2011-12, the Department provided \$1,449,200 to Milwaukee County (Tier A-1) and \$380,800 to Madison (Tier A-2). The amount of paratransit funding provided these tiers was based on each tier's percentage of overall state mass transit operating assistance. In addition, the Department distributed a total of \$670,000 to Tier B and Tier C fixed route bus systems based on each system's percentage of expenses and revenues miles compared to the total expenses and revenue miles of all Tier B and Tier C fixed route bus systems. The 2011-12 funding became part of the transit systems' total funding for calendar year 2012.

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### **Federal Mass Transit Assistance**

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Federal aid is distributed as an annual federal appropriation (the federal fiscal year is October 1 thru September 30) by the Federal Transit Administration (FTA), but transit systems use the funds in the following calendar year. For example, the federal appropriation for the year beginning on October 1, 2011, was used in calendar year 2012. Federal transit funds for basic operations are available under two separate programs, the urbanized area and nonurbanized area formula programs of the Urban Mass Transportation Act of 1964, as amended. In addition, federal assistance is provided through a supplemental rural transportation program, the job access reverse commute program, and various capital assistance programs.

#### **Urbanized Area Formula Program**

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

*Population over 200,000.* Urbanized areas with a population over 200,000 receive aid directly from FTA. For 2012, Milwaukee was apportioned \$21.0 million and Madison was apportioned \$7.1 million in federal capital assistance. However, federal law allows for portions of these capital assistance funds to be used to fund certain annual maintenance expenditures. In addition,

Milwaukee and Madison urbanized area systems use 1% of the annual federal fund amounts on system enhancements. In 2012, state systems in this category did not receive any augmentation to their urbanized area formula aid associated with the growing states and high density states formula features.

For aid year 2012, the following nine transit systems are eligible to share in this funding, as determined by the urbanized areas:

**Madison Urbanized Area**

Madison Metro	Sun Prairie
Monona	Verona
Stoughton	

**Milwaukee Urbanized Area**

Milwaukee County Transit*	Waukesha
Ozaukee County**	
Washington County**	

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

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

*Population between 50,000 and 200,000.* Urbanized areas with populations between 50,000 and 200,000 receive their federal aid through DOT. The Department distributes federal funds so that each area receives combined state and federal aid for an equal percentage of its transit system's operating expenses. In 2012, the state was apportioned \$18.4 million for transit systems in these urbanized areas.

Federal funds used for capital projects are distributed based on a priority system determined by DOT. If insufficient funding is available, priority is given to replacement or rehabilitation of exist-

ing vehicles. DOT uses transportation improvement program reports in order to prioritize replacement needs.

The federal STIC funding formula uses system performance factors, such as revenue miles, vehicle miles, revenue hours, and passenger miles, along with population, to determine the formula amount. Systems that provide more service per capita using these factors receive a STIC augmentation to their urbanized area formula amount. In 2012, five Wisconsin systems were apportioned \$920,500 in STIC funding: the La Crosse and Oshkosh systems were each apportioned \$263,000; and the Eau Claire, Sheboygan, and Wausau systems were each apportioned \$131,500.

For 2012, the following transit systems were located in urbanized areas with a population between 50,000 and 200,000:

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

**Nonurbanized Area Formula Program**

DOT also distributes federal aid under the nonurbanized area formula program to bus and shared-ride taxi systems that serve areas with a population under 50,000. Wisconsin's share of total program funding is equal to the state's share of the total U.S. population residing in nonurbanized areas. Funds are distributed by DOT for up to 50% of the operating deficit of a system. Any remaining funds are used to support capital projects. In 2012, the state was apportioned \$13.5 million for transit systems in these nonurbanized areas.

For 2012, the following transit systems are located in nonurbanized areas, for federal transit aid purposes, which have a population of less than 50,000:



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

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

The nonurbanized formula grant program also requires each state to spend 15% its annual apportionment to develop and support intercity bus transportation. The requirement is aimed at connecting isolated rural areas throughout the country to larger communities. States may be granted a waiver from this requirement if the Governor certifies that the state's intercity bus needs have been adequately met. While some of these federal funds have been used to support intercity bus service in recent years, Wisconsin is annually granted waivers and has not used 15% of its nonurbanized formula funding to support intercity bus service.

### **Job Access Reverse Commute Program**

The purpose of the job access reverse commute (JARC) grant program is to develop transportation services designed to transport welfare recipients and low-income individuals to and

from jobs and to develop transportation services for residents of urban centers and rural and suburban areas to suburban employment opportunities. Emphasis is placed on projects that use mass transportation services.

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

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

In 2012, Wisconsin received a total apportionment of over \$2.4 million in JARC funds: \$757,500 allocated to the Milwaukee urbanized area; \$173,400 allocated to the Madison urbanized area; \$897,700 to the state to be distributed to the urbanized areas of the state with between 50,000 and 200,000 in population; and \$601,900 to the state to be distributed to the nonurbanized areas of the state with less than 50,000 in population.

## **Rural Transportation Assistance Program**

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

RTAP funds are allocated to states based on an administrative formula, which first allocates \$65,000 to each of the states, then distributes the balance according to the nonurbanized population of the states. There is no federal requirement for a local match. In 2012, Wisconsin was apportioned \$197,700 in federal RTAP funds.

## **Federal Capital Assistance**

*Transit Capital Investment Program.* The transit capital investment program (49 U.S.C. 5309) provides capital assistance for three primary activities: (a) bus and bus facilities (state of good repair, transit asset management, and bus livability programs); (b) modernization of existing fixed guideway systems; and (c) new fixed guideway systems (the New Starts program). Eligible recipients for capital assistance funds include public bodies and agencies (urbanized transit agencies, state transportation departments, and federally recognized Indian Tribes).

Federal capital assistance for bus and bus facilities is allocated on a discretionary basis under the state of good repair, transit asset manage-

ment, and bus livability programs. The state of good repair program provides financial assistance for the recapitalization of buses and bus facilities. As part of the program, FTA prioritizes the replacement and rehabilitation of intermodal facilities that support the connection of bus service with multiple modes of transportation, including but not limited to: rail, ferry, intercity bus, and private transportation providers. Eligible intermodal facilities must have adjacent connectivity with bus service. In 2012, Wisconsin and its transit agencies received \$11.8 million for the following state of good repair discretionary grants: \$3,786,500 for a Madison project; \$3,779,600 for a Janesville project; \$3,240,000 for a Milwaukee County project; \$660,000 for a Beloit project; and \$312,700 for a Green Bay project.

The federal capital program also prioritizes funding for the development and implementation of new, or improvement of existing, transit asset management systems, which involves a systematic process of operating, maintaining, and improving transit assets. The system must focus on both engineering and economic analysis in order to identify a schedule of maintenance, repair, rehabilitation, and replacement actions that will achieve and sustain a desired state of good repair over the lifecycle of the assets at minimum possible cost. No transit system in the state applied for transit asset management program funds in 2012.

The federal bus livability program makes funds available to public transportation providers to finance capital projects that replace, rehabilitate, and purchase buses and related equipment. The program also funds projects that construct bus-related facilities, including bus and bus-related projects for assistance to sub-recipients that are public agencies, private companies engaged in public transportation, or private non-profit organizations. In 2012, Wisconsin did not receive any bus livability discretionary grants.

A "fixed guideway" system refers to any transit service that uses exclusive or controlled rights-of-way or rails, entirely or in part. The term includes heavy rail, commuter rail, light rail, monorail, trolleybus, aerial tramway, inclined plane, cable car, automated guideway transit, ferries, that portion of motor bus service operated on exclusive or controlled rights-of-way, and high-occupancy-vehicle lanes. In 2012, Madison received \$897,400 and Milwaukee received \$356,000 in federal fixed guideway modernization funding allocations.

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

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

New Starts funding for major new fixed guideway projects or an extension to existing systems is typically provided through a full funding grant agreement that defines the scope of the project and specifies the total, multi-year federal commitment to the project. Funding allocation recommendations are made in an annual report to

Congress. In 2012, Wisconsin did not receive any annual federal New Starts funding allocations.

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

### **Federal Transportation Planning Funding**

FTA also provides funding to states and directly to larger metropolitan areas for transportation planning. Eligible recipients include state transportation departments and metropolitan planning organizations (MPOs). Federal planning funds are first apportioned to state transportation departments, which then allocate planning funding to MPOs in each state. In 2012, Wisconsin received transportation planning apportionments of \$1.1 million for metropolitan transportation planning and \$273,100 for statewide transportation planning.

### **Federal Transportation Reauthorization**

The 2012 federal transportation reauthorization bill, Moving Ahead for Progress in the 21st Century (MAP 21), signed into law on July 6, 2012, made several changes to the existing federal transit grant programs. The program changes mostly first affect the program funding distributions in federal fiscal year 2013. Any remaining carryover funds from the prior federal legislative authorization have to be expended under the program requirements specified under the prior legislation, or the related program guidance.

*Urbanized Area Formula.* MAP 21 continues the formula funding, but creates an additional formula factor based on an urbanized area's low

income population. MAP 21 also establishes additional exceptions relating to the limitations on the use of federal funds by transit systems serving an urbanized area in excess of 200,000 in population. Specifically, it allows urbanized systems that operate 75 or fewer buses in fixed route service during peak service hours to use up to 75% of the formula apportionment attributable to such systems to fund annual operating costs. This MAP 21 exception allows the Appleton and Green Bay transit systems, which serve urbanized areas that have exceeded 200,000 in population under the 2010 census and operate less than 75 buses each, to continue to use federal transportation aid to assist in funding their annual costs of operation rather than being limited to using these funds for capital purposes. Waukesha Transit will also be eligible for this exception.

*Nonurbanized Area Formula.* MAP 21 continues the nonurbanized formula funding, but annual formula allocations will include factors based on a grantee's relative shares of rural transit revenue vehicle miles and nonurban, low income populations. Also, under MAP 21, the Public Transportation on Indian Reservations program is expanded to include formula grants to tribes for transit.

*Transit Capital Programs.* MAP 21 will make changes to the federal transit capital programs. The bus and bus facility program, which had previously been distributed either through federal earmarks or in a competitive grant solicitation, will now make specific allocations to all states and territories, with the remaining funding allocated using the urbanized grant formula. The fixed guideway program will no longer provide rail modernization and bus and bus facility grants. Rather the program will be solely a competitive New Starts rail program, with a limited bus rapid transit component. The state of good repair program will now also include formula funding for high intensity bus projects in addition to rail fixed guideway projects.

*Other Federal Program Changes.* MAP 21 repeals the JARC program and places the funding into the urbanized and nonurbanized formula grant programs. Also, MAP 21 requires federal aid recipients to develop a transit asset management plan (for example, inventories, investment priorities, condition assessments, and performance targets) and annually report to FTA on the status of assets and performance targets. Transit agencies must also develop a comprehensive public transportation agency safety plan, including a designated safety officer and staff training program. MAP 21 also requires the establishment of a state oversight agency for rail fixed guideway in each state with such a system. This agency would be responsible for the safety oversight of the Kenosha trolley system and any other rail fixed guideway project undertaken in the state.

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

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Table 2 shows the distribution of funding sources for transit systems on a statewide basis for the ten-year period from 2003 to 2012. Funding for mass transit is provided through federal and state aid, local revenues, and farebox revenue. These figures are shown on a calendar-year basis and reflect statewide averages. The funding mix for individual systems may vary significantly from these averages.

In 2012, state aid was reduced by 10% for each tier of systems, which impacted local systems' spending and funding decisions. As a result, overall transit costs dropped for the first time over the ten-year period, decreasing by 4.1%, as transit systems reacted to the state aid reduction. The state aid percentage (34.4%) was the lowest during the ten-year period.

Administrative rules limit the combined

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

Calendar Year	Total Operating Expenses	External Funding				Local Funding			
		Federal	%	State	%	Local*	%	Farebox Revenue	%
2003	\$244.1	\$35.6	14.6%	\$98.7	40.4%	\$46.7	19.1%	\$63.1	25.9%
2004	251.6	40.4	16.1	98.7	39.2	44.2	17.6	68.3	27.1
2005	259.9	44.8	17.2	98.7	38.0	49.7	19.1	66.7	25.7
2006	269.1	48.5	18.0	100.6	37.4	50.3	18.7	69.7	25.9
2007	285.7	48.8	17.1	102.6	35.9	58.4	20.4	75.9	26.6
2008	301.6	52.0	17.2	110.0	36.5	60.0	19.9	79.6	26.4
2009	315.1	55.8	17.7	112.6	35.8	56.8	18.0	89.9	28.5
2010	318.8	57.1	17.9	114.9	36.0	55.5	17.4	91.3	28.6
2011	322.9	56.4	17.5	118.3	36.6	54.7	16.9	93.5	29.0
2012	309.6	56.8	18.3	106.5	34.4	57.9	18.7	88.4	28.6

\*Primarily property tax revenue.

amount of state and federal aid to 70% of operating expenses. Any remaining federal funds are used to support capital projects. If federal funds remain after capital needs are met, the funds are made available for operating assistance beyond the 70% cap. In 2012, the combined state and federal aid percentage was 55.3% for Tier B and 60.8% for Tier C, well below the 70% maximum.

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

Table 3 shows the local match provided by mass transit bus systems for 2012. All bus systems currently meet the local match requirement. In 2012, 26 of the 29 bus systems provided a local match greater than 50% of the state aid amount. Also, 14 bus systems provided a local share greater than the amount of state aid provided to their system.

The Appendix to this paper provides a breakdown of the funding sources for each system that participated in the 2012 urban mass transit program.

**Table 3: Local Match Provided by Mass Transit Bus Systems (Calendar Year 2012)**

	State Aid Received	Local Share	Local Share as a % of State Aid
<b>Tier A-1</b>			
Milwaukee County	\$61,724,900	\$18,193,581	29.5%
<b>Tier A-2</b>			
Madison	\$16,219,200	\$15,795,656	97.4%
<b>Tier B Bus</b>			
Appleton	\$2,005,109	\$1,765,617	88.1%
Beloit	479,526	413,502	86.2
Eau Claire	1,358,872	1,374,741	101.2
Fond du Lac	421,652	464,238	110.1
Green Bay	1,942,971	2,111,682	108.7
Janesville	779,553	926,490	118.8
Kenosha	1,722,492	1,638,186	95.1
La Crosse	1,395,420	1,425,074	102.1
Monona	114,449	53,235	46.5
Oshkosh	1,131,195	1,050,991	92.9
Ozaukee County*	446,822	415,151	92.9
Racine	2,121,001	1,891,643	89.2
Sheboygan	1,004,315	891,657	88.8
Superior	341,573	466,967	136.7
Verona	152,536	55,464	36.4
Washington County*	465,690	278,870	59.9
Waukesha	4,243,784	2,259,371	53.2
Wausau	810,552	922,508	113.8
<b>Tier C Bus</b>			
Bay Area (Ashland)	\$254,217	\$422,283	166.1%
Dunn County	133,631	78,242	58.6
Manitowoc	334,153	633,736	189.7
Menominee Tribe	326,486	866,484	265.4
Merrill	107,149	142,617	133.1
Rusk County	139,348	128,595	92.3
Sauk County	37,473	100,566	268.4
Sawyer County	260,420	460,094	176.7
Stevens Point	232,350	552,828	237.9

\*Excludes the portion of the system's state aid and local share used to cover its shared ride taxi costs.

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## Elderly and Disabled Transportation Assistance

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The state has three programs to finance the improvement of transportation services for the elderly and disabled: a county grant program; a capital grant program; and a tribal and elderly transportation grant program. These programs help to provide the benefits of transportation service to those people not otherwise having an available or accessible method of transportation. Table 4 shows the amount appropriated from the transportation fund for the county and capital assistance programs from 2003-04 through 2012-13. The tribal and elderly grant program is funded with tribal gaming funds.

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

Fiscal Year	County Assistance	Capital Assistance
2003-04	\$8,146,300	\$921,900
2004-05	8,373,000	921,900
2005-06	10,373,000	921,900
2006-07	12,373,000	921,900
2007-08	12,638,900	921,900
2008-09	12,910,100	921,900
2009-10	13,196,000	912,700
2010-11	13,623,400	912,700
2011-12	13,623,400	912,700
2012-13	13,623,400	912,700

### County Assistance

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

subsidize elderly or disabled persons for their use of existing services, such as taxis.

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

DOT can establish a minimum allocation for counties under this program. This currently equals 0.5% of the total available funding (\$68,117 for 2013). In 2013, 23 counties received the minimum aid level.

Counties must apply for elderly and disabled transportation aid by January 1. Counties expend funds on a calendar year basis. For example, the 2012-13 appropriation is spent in calendar year 2013. Counties may hold this aid in trust to provide transportation services or to acquire or maintain equipment used for elderly and disabled transportation services. Any aid held in trust, including any accumulated interest, not expended for the authorized purposes must be returned to DOT for deposit in the transportation fund.

### Capital Assistance

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

DOT prioritizes applications received from private, nonprofit organizations and, commencing with the highest-ranked application, offers each applicant an amount of state aid such that the sum of state and federal aid does not exceed a percentage of project costs established under DOT rule (sum of state and federal aid cannot exceed 80% of estimated capital costs). The grant recipient must provide the remaining percentage of costs. For specific types or categories of equipment involved, a capital grant may not exceed the percentage of costs eligible for federal aid. This aid may not be used for operating costs. DOT is responsible for procuring the equipment on behalf of approved applicants.

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

### **Tribal Elderly Transportation Grants**

2009 Act 28 created a state tribal elderly transportation grant program to make grants to American Indian tribes and bands for tribal elderly transportation assistance. Since 2009-11, \$247,500 annually in state Indian gaming revenues has been provided to fund the program. Any unencumbered balance in the DOT appropriation, from which the program is funded, on June 30 of each year reverts back to the Department of Administration's gaming revenues appropriation.

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

for evaluating applications and for awarding grants. For 2012, DOT provided all eleven of the state's tribes an equal share of the total funds, or \$22,500 each.

### **Federal Assistance**

Federal elderly and disabled assistance is also available on a formula basis (under U.S.C. 5310) based on each state's share of the country's population of these groups. Program funds are used for the purpose of assisting private, nonprofit groups in meeting the needs of elderly and disabled persons when the transportation service provided is unavailable, insufficient, or inappropriate for meeting these needs. Funds can be used to assist with provider operating costs or capital needs. Program funds are obligated based on the annual program or projects included in a statewide grant application submitted by DOT. In 2012, Wisconsin received an apportionment of approximately \$2.3 million in federal elderly and disabled aid.

A federal formula grant program called the New Freedom program provides capital and operating funds for service and facility improvements, made to address the needs of persons with disabilities, which are beyond those required by the federal Americans with Disabilities Act. In 2012, the state was apportioned over \$1.6 million in federal funds under the program. The funds were allocated as follows: \$440,100 to the Milwaukee urbanized area; \$85,100 to the Madison urbanized area; \$659,400 to the state for urbanized areas with 50,000 to 200,000 in population; and \$440,500 to the state for urbanized areas with less than 50,000 in population. MAP-21 combines the New Freedom and elderly and disabled programs (and funding) into a single program, effective in federal fiscal year 2013. Funds will be distributed through the existing federal elderly and disabled aid formula.





## APPENDIX

### 2012 Transit System Public Funding Sources

	2012 Expenses	Federal Share*	% of Expense	State Share	% of Expense	Local Share	% of Expense	Farebox Revenue	% of Expense
<b>Tier A-1</b>									
Milwaukee County	\$152,628,151	\$18,700,236	12.3%	\$61,724,900	40.4%	\$18,193,581	11.9%	\$54,009,434	35.4%
<b>Tier A-2</b>									
Madison	\$51,604,111	\$7,083,955	13.7%	\$16,219,200	31.4%	\$15,795,656	30.6%	\$12,505,300	24.2%
<b>Tier B</b>									
Appleton	\$7,969,846	\$2,399,572	30.1%	\$2,005,109	25.2%	\$1,765,617	22.2%	\$1,799,548	22.6%
Beloit	1,906,006	573,863	30.1	479,526	25.2	413,502	21.7	439,115	23.0
Chippewa Falls**	452,464	136,228	30.1	113,834	25.2	38,407	8.5	163,995	36.2
Eau Claire	5,401,202	1,626,201	30.1	1,358,872	25.2	1,374,741	25.5	1,041,388	19.3
Fond du Lac	1,675,967	504,602	30.1	421,652	25.2	464,238	27.7	285,475	17.0
Green Bay	7,722,863	2,325,210	30.1	1,942,971	25.2	2,111,682	27.3	1,343,000	17.4
Janesville	3,098,543	932,913	30.1	779,553	25.2	926,490	29.9	459,587	14.8
Kenosha	6,846,509	2,061,356	30.1	1,722,492	25.2	1,638,186	23.9	1,424,475	20.8
La Crosse	5,546,474	1,669,940	30.1	1,395,420	25.2	1,425,074	25.7	1,056,040	19.0
Monona	207,084	0	0.0	114,449	55.3	53,235	25.7	39,400	19.0
Onalaska**	805,155	242,417	30.1	202,567	25.2	132,171	16.4	228,000	28.3
Oshkosh	4,509,162	1,360,876	30.2	1,131,195	25.1	1,050,991	23.3	966,100	21.4
Ozaukee County**	2,890,797	471,335	16.3	1,126,317	39.0	749,945	25.9	543,200	18.8
Racine	8,430,490	2,538,263	30.1	2,121,001	25.2	1,891,643	22.4	1,879,583	22.3
Sheboygan	3,991,921	1,201,893	30.1	1,004,315	25.2	891,657	22.3	894,056	22.4
Stoughton**	307,788	0	0.0	170,105	55.3	20,033	6.5	117,650	38.2
Sun Prairie**	673,913	0	0.0	372,450	55.3	75,463	11.2	226,000	33.5
Superior	1,357,676	408,771	30.1	341,573	25.2	466,967	34.4	140,365	10.3
Verona	276,000	0	0.0	152,536	55.3	55,464	20.1	68,000	24.6
Waukesha	9,354,778	926,304	9.9	4,243,784	45.4	2,259,371	24.2	1,925,319	20.6
Wausau	3,221,759	970,012	30.1	810,552	25.2	922,508	28.6	518,687	16.1
Washington County**	3,442,491	645,630	18.8	1,256,925	36.5	752,686	21.9	787,250	22.9
Subtotal Tier B	\$80,088,888	\$20,995,386	26.2%	\$23,267,198	29.1%	\$19,480,071	24.3%	\$16,346,233	20.4%

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

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

**APPENDIX (continued)**

**2012 Transit System Public Funding Sources**

	2012 Expenses	Federal Share	% of Expense	State Share	% of Expense	Local Share	% of Expense	Farebox Revenue	% of Expense
<b>Tier C Bus</b>									
Bay Area (Ashland)	\$1,530,784	\$676,500	44.2%	\$254,217	16.6%	\$422,283	27.6%	\$177,784	11.6%
Dunn County	568,264	211,874	37.3	133,631	23.5	78,242	13.8	144,517	25.4
Manitowoc	2,141,516	967,889	45.2	334,153	15.6	633,736	29.6	205,738	9.6
Menominee Tribe	2,449,464	1,162,788	47.5	326,486	13.3	866,484	35.4	93,706	3.8
Merrill	587,032	249,766	42.5	107,149	18.3	142,617	24.3	87,500	14.9
Rusk County	669,886	267,943	40.0	139,348	20.8	128,595	19.2	134,000	20.0
Sauk County	264,199	123,160	46.6	37,473	14.2	100,566	38.1	3,000	1.1
Sawyer County	1,613,378	720,514	44.7	260,420	16.1	460,094	28.5	172,350	10.7
Stevens Point	1,673,567	785,179	46.9	232,350	13.9	552,828	33.0	103,210	6.2
Subtotal Tier C Bus	\$11,498,090	\$5,165,613	44.9%	\$1,825,227	15.9%	\$3,385,445	29.4%	\$1,121,805	9.8%
<b>Tier C Shared-Ride Taxi</b>									
Baraboo	\$357,937	\$114,540	32.0%	\$78,397	21.9%	\$0	0.0%	\$165,000	46.1%
Beaver Dam	926,751	322,970	34.8	240,495	26.0	82,475	8.9	280,811	30.3
Berlin	248,442	83,471	33.6	67,582	27.2	15,889	6.4	81,500	32.8
Black River Falls	262,545	84,014	32.0	68,531	26.1	0	0.0	110,000	41.9
Clintonville	109,600	40,250	36.7	26,387	24.1	13,863	12.6	29,100	26.6
Door County	868,292	321,514	37.0	206,408	23.8	115,106	13.3	225,264	25.9
Edgerton	59,152	23,576	39.9	12,388	20.9	11,188	18.9	12,000	20.3
Fort Atkinson	388,136	134,068	34.5	101,919	26.3	32,149	8.3	120,000	30.9
Grant County	75,962	32,481	42.8	13,704	18.0	18,777	24.7	11,000	14.5
Hartford	222,776	73,888	33.2	61,560	27.6	12,328	5.5	75,000	33.7
Jefferson	169,071	67,628	40.0	35,167	20.8	22,776	13.5	43,500	25.7
Lake Mills	80,337	33,169	41.3	15,676	19.5	17,492	21.8	14,000	17.4
Marinette	364,322	142,036	39.0	79,472	21.8	62,564	17.2	80,250	22.0
Marshfield	604,051	187,688	31.1	179,575	29.7	8,113	1.3	228,675	37.9
Mauston	176,294	61,647	35.0	45,540	25.8	16,107	9.1	53,000	30.1
Medford	140,202	56,081	40.0	29,162	20.8	17,959	12.8	37,000	26.4
Monroe	371,443	148,577	40.0	77,260	20.8	3,606	1.0	142,000	38.2
Neillsville	193,944	79,852	41.2	38,066	19.6	41,786	21.5	34,240	17.7
New Richmond	206,914	83,377	40.3	42,427	20.5	40,950	19.8	40,160	19.4
Platteville	243,602	90,801	37.3	57,309	23.5	33,492	13.7	62,000	25.5
Plover	201,562	72,781	36.1	49,769	24.7	23,012	11.4	56,000	27.8
Portage	1,073,780	343,610	32.0	252,670	23.5	0	0.0	477,500	44.5
Prairie du Chien	301,380	111,690	37.1	71,549	23.7	40,141	13.3	78,000	25.9
Prairie du Sac	123,862	46,431	37.5	28,877	23.3	17,554	14.2	31,000	25.0
Reedsburg	310,630	99,402	32.0	81,215	26.1	0	0.0	130,013	41.9
Rhineland	589,507	176,804	30.0	176,803	30.0	0	0.0	235,900	40.0
Rice Lake	239,608	107,904	45.0	37,778	15.8	70,126	29.3	23,800	9.9
Richland Center	181,966	66,983	36.8	43,652	24.0	23,331	12.8	48,000	26.4
Ripon	281,652	101,076	35.9	70,168	24.9	30,908	11.0	79,500	28.2
River Falls	259,692	102,081	39.3	55,812	21.5	46,269	17.8	55,530	21.4
Shawano	281,413	100,476	35.7	70,623	25.1	29,853	10.6	80,461	28.6
Tomah	254,434	97,117	38.2	57,579	22.6	39,538	15.5	60,200	23.7
Viroqua	475,312	172,656	36.3	116,334	24.5	56,322	11.8	130,000	27.4
Watertown	699,058	231,529	33.1	193,498	27.7	38,031	5.4	236,000	33.8
Waupaca	445,976	151,988	34.1	119,165	26.7	32,823	7.4	142,000	31.8
Waupun	105,058	41,779	39.8	22,096	21.0	19,683	18.7	21,500	20.5
West Bend	842,759	276,607	32.8	216,152	25.6	0	0.0	350,000	41.5
Whitewater	209,916	65,958	31.4	61,671	29.4	4,287	2.0	78,000	37.2
Wisconsin Rapids	873,513	291,757	33.4	239,339	27.4	52,417	6.0	290,000	33.2
Subtotal Tier C Taxi	\$13,820,851	\$4,840,257	35.0%	\$3,441,775	24.9%	\$1,090,915	7.9%	\$4,447,904	32.2%
Subtotal Tier C	\$25,318,941	\$10,005,870	39.5%	\$5,267,002	20.8%	\$4,476,360	17.7%	\$5,569,709	22.0%
STATE TOTALS:	\$309,640,091	\$56,785,447	18.3%	\$106,478,300	34.4%	\$57,945,668	18.7%	\$88,430,676	28.6%