



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873
Email: fiscal.bureau@legis.wisconsin.gov • Website: <http://legis.wisconsin.gov/lfb>

April 22, 2015

Joint Committee on Finance

Paper #642

Transit Safety Oversight Program (Transportation -- Local Transportation Aid)

[LFB 2015-17 Budget Summary: Page 439, #3]

CURRENT LAW

Under federal law, each state with a fixed guideway system in operation or in the engineering construction stage must establish a state safety oversight agency (SSOA). Wisconsin has one fixed guideway system in operation, the 1.9-mile Kenosha area streetcar system, and one system in the engineering stage, the Milwaukee streetcar project. The federal surface transportation authorization act, Moving Ahead for Progress in the 21st Century (MAP-21), requires the state to establish an SSOA with the authority to enforce, investigate, and audit safety plans of any rail fixed guideway system. MAP-21 also requires that the SSOA have adequate staffing, and that staff have sufficient training and the proper Federal Transit Administration (FTA) certifications.

If a state fails to establish a compliant SSOA program with sufficient resources and expertise to carry out its required duties, FTA's proposed final rule for the SSOA (as well as MAP-21) would allow the FTA Administrator the discretion to do either of the following: (a) impose a penalty of up to 5% of the state's estimated \$30.6 million in federal urbanized area formula transit funding until the state has a FTA-certified SSOA in place; or (b) require all fixed guideway systems to expend all of their federal transit funds on safety-related improvements to their system. However, the proposed final rule also states that if after three years from its effective date, a state fails to establish a FTA-certified SSOA program, the FTA Administrator would no longer be allowed to obligate any federal transit funds to that state. Therefore, failure to meet these federal requirements within three years of the final rule would result in the loss of all of the state's federal transit funding (currently about \$78 million).

GOVERNOR

Create a transit safety oversight program funded with \$71,600 SEG and \$286,600 FED in 2015-16 and \$72,700 SEG and \$290,900 FED in 2016-17. Provide the Department the authority to administer the program and with oversight, enforcement, investigative, and audit authority over all safety aspects of any fixed guideway transit systems in the state. Define a fixed guideway transit system under this program as a public transportation system being designed, engineered, constructed, or operated that is intended to operate upon a fixed guideway, including a railway, and that is not subject to regulation by the Federal Railroad Administration. Create continuing SEG and FED appropriations to provide the program funding. The FED amounts reflect anticipated federal funding for this purpose while the SEG amounts represent the required state match.

MODIFICATION

Modify the references to a "fixed guideway transit system" under the proposed transit safety oversight program created under the bill to refer instead to a "rail fixed guideway transportation system," to coincide with the federal term.

Explanation: The bill establishes the transit safety oversight program to oversee fixed guideway transit systems. However, MAP-21 requires the establishment of a safety oversight agency for each rail fixed guideway transportation system. In its technical errata to the bill, the administration indicated that this modification would make the statutory references for such systems under the state program consistent with the federal reference for those same systems.

Prepared by: Al Runde