

from last year. The new Oracle database and reports aid researchers.

FTA grantees receive Urbanized Area Formula and Fixed Guideway Modernization apportionments based, in part, on the data they submit to the NTD. NTD data is also summarized and used to report to Congress on the condition, performance, and safety of the transit industry, and associated costs. The Transportation Security Administration is already using security reports from the NTD. In addition, these data are used in the assessment of FTA goals.

This year, the voluntary reporting of rural transit data by State DOTs is being tested. Work also continues on the collection of data on the condition of the capital infrastructure of transit. A voluntary test version of the asset condition module was put on-line and was well accepted, providing an excellent inventory and assessment of tunnels, bridges, track, stations, bus maintenance facilities, and other assets.

VI. Nonurbanized Area Formula Program and Rural Transit Assistance Program

A. Nonurbanized Area Formula Program

The amount made available for the Nonurbanized Area Formula Program (49 U.S.C. 5311) by the FY 2003 DOT Appropriations Act is \$239,043,694, after application of the across-the-board .65 percent reduction. The FY 2003 Nonurbanized Area Formula apportionments to the States total \$238,954,559 and are displayed in Table 5. Of the \$239,043,694 available, \$1,195,218 was reserved for oversight. The funds apportioned include \$1,106,083 in prior year funds available for reapportionment.

The Nonurbanized Area Formula Program provides capital, operating and administrative assistance for areas under 50,000 in population. Each State must spend no less than 15 percent of its FY 2003 Nonurbanized Area Formula apportionment for the development and support of intercity bus transportation, unless the Governor certifies to the Secretary that the intercity bus service needs of the State are being adequately met.

B. Rural Transit Assistance Program

Funding made available for the Rural Transit Assistance Program (RTAP) (49 U.S.C. 5311(b)(2)) by the FY 2003 DOT Appropriations Act is \$5,215,875, after application of the across-the-board .65 percent reduction. The FY 2003 RTAP allocations to the States total \$5,216,875 and are displayed in Table 5. This

amount includes \$1,000 in prior year funds available for reapportionment.

The funds are allocated to the States to undertake research, training, technical assistance, and other support services to meet the needs of transit operators in nonurbanized areas. These funds are to be used in conjunction with the States' administration of the Nonurbanized Area Formula Program.

FTA also supports RTAP activities at the national level within the National Planning and Research Program (NPRP). The National RTAP projects support the States in their use of the formula allocations for training and technical assistance. Congress did not designate any funds for the National RTAP among the NPRP allocations in the Conference Report accompanying the FY 2003 DOT Appropriations Act. FTA will, however, include the National RTAP among priority projects to be funded from available NPRP funds. During FY 2002, FTA conducted a competitive selection and chose the American Public Works Association, in consortium with the Community Transportation Association of America, to provide National RTAP services for the next five years.

VII. Elderly and Persons With Disabilities Program

The amount made available for the Elderly and Persons with Disabilities Program (49 U.S.C. 5310) by the FY 2003 DOT Appropriations Act is \$90,063,558, after application of the across-the-board .65 percent reduction. The FY 2003 Elderly and Persons with Disabilities Program apportionments to the States total \$90,166,393 and are displayed in Table 6. The funds apportioned include \$102,835 in prior year funds available for reapportionment.

The formula for apportioning these funds uses Census population data for persons aged 65 and over, and for persons with disabilities. The funds provide capital assistance for transportation for elderly persons and persons with disabilities. Eligible capital expenses may include, at the option of the recipient, the acquisition of transportation services by a contract, lease, or other arrangement.

While the assistance is intended primarily for private non-profit organizations, public bodies that coordinate services for the elderly and persons with disabilities, or any public body that certifies to the State that there are no non-profit organizations in the area that are readily available to carry out the service, may receive these funds.

These funds may be transferred by the Governor to supplement Urbanized Area Formula or Nonurbanized Area Formula

capital funds during the last 90 days of the fiscal year.

VIII. FHWA Surface Transportation Program and Congestion Mitigation and Air Quality Funds Used for Transit Purposes

A. Transfer Process

The process for transferring flexible formula funds between FTA and FHWA programs is described below. For information on the transfer of FHWA funds to FTA planning programs contact the FTA/FHWA staff identified in section IV.F, above.

Transfer from FHWA to FTA. FHWA funds designated for use in transit capital projects must be derived from the metropolitan and statewide planning and programming process, and must be included in an approved Statewide Transportation Improvement Program (STIP) before the funds can be transferred. The State DOT requests, by letter, the transfer of highway funds for a transit project to the FHWA Division Office. The letter should specify the project, amount to be transferred, apportionment year, State, Federal aid apportionment category *i.e.*, Surface Transportation Program (STP), Congestion Mitigation and Air Quality (CMAQ), Interstate Substitute, or congressional earmark), and a description of the project as contained in the STIP.

The FHWA Division Office confirms that the apportionment amount is available for transfer and concurs in the transfer by letter to the State DOT and FTA. The FHWA Office of Budget and Finance then transfers obligation authority and an equal amount of cash to FTA. All FHWA CMAQ, STP, and congressional earmarked funds for transit projects in the Appropriations Act or Conference Report will be transferred to one of the three FTA formula programs (*i.e.*, Urbanized Area Formula (section 5307), Nonurbanized Area Formula (section 5311) or Elderly and Persons with Disabilities (section 5310)).

The FTA grantee's application for the project must specify which program the funds will be used for and the application should be prepared in accordance with the requirements and procedures governing that program. Upon review and approval of the grantee's application, FTA obligates funds for the project.

Transferred funds are treated as FTA formula funds, but are assigned a distinct identifying code for tracking purposes. The funds may be used for any capital purpose eligible under the FTA formula program to which they are