



U.S. Department of Transportation  
**Federal Transit Administration**



**FACT SHEET:  
 URBANIZED AREA FORMULA GRANTS  
 SECTION 5307 & SECTION 5340**

	<b>FY 2013 (in millions)</b>	<b>FY 2014 (in millions)</b>
5307 Grants	\$4,367.95	\$4,428.65
Passenger Ferry Grants	\$30.00	\$30.00
<b>5307 Program Total</b>	<b>\$4,397.95</b>	<b>\$4,458.65</b>
Growing States/High Density Formula (5340)	\$518.70	\$525.90

**Purpose**

This program provides grants to Urbanized Areas<sup>1</sup> (UZA) for public transportation capital, planning, job access and reverse commute projects, as well as operating expenses in certain circumstances. These funds constitute a core investment in the enhancement and revitalization of public transportation systems in the nation’s urbanized areas, which depend on public transportation to improve mobility and reduce congestion.



**Statutory References**

49 U.S.C. Sections 5307, 5336, and 5340 / MAP-21 Sections 20007, 20026

**Eligible Recipients**

FTA apportions funds to designated recipients, which then suballocate funds to state and local governmental authorities, including public transportation providers.

**Eligible Activities**

- Capital projects.
- Planning.
- Job access and reverse commute projects that provide transportation to jobs and employment opportunities for welfare recipients and low-income workers.
- Operating costs in areas with fewer than 200,000 in population.
- Operating costs, up to certain limits, for grantees in areas with populations greater than 200,000, and which operate a maximum of 100 buses in fixed-route service during peak hours (rail fixed guideway excluded).

<sup>1</sup> An area with a population of 50,000 or more, defined and designated in the most recent decennial census as an ‘urbanized area’ by the U.S. Secretary of Commerce.

**(cont.)**

## Urbanized Area Formula Grants

### What's New?

- Operating costs, up to certain limits, for grantees in areas with populations greater than 200,000, and which operate a maximum of 100 buses in fixed-route service during peak hours (rail fixed guideway excluded).
- Transit enhancements are removed and replaced by more narrowly defined “associated transportation improvements.” Recipients must expend at least 1% of their 5307 apportionment on these improvements.
- Funding provided by other government agencies or departments that are eligible to be expended on transportation may be used as local match.
- Certain expenditures by vanpool operators may be used as local match.
- MAP-21 removes eligibility for the transfer of 5307 transit funds to highway projects.

### Ongoing Provision

- Recipients must expend 1% for transportation security projects or certify that it is not necessary to do so.

### Funding

- Federal share is 80% for capital assistance.
- Federal share is 50% for operating assistance.
- Federal share is 80% for Americans with Disabilities Act (ADA) non-fixed-route paratransit service, using up to 10% of a recipient's apportionment.

#### Formula

- For areas of 50,000 to 199,999 in population, the formula is based on population and population density, and number of low-income individuals.
- For areas with populations of 200,000 and more, the formula is based on a combination of bus revenue vehicle miles, bus passenger miles, fixed guideway revenue vehicle miles, and fixed guideway route miles, as well as population and population density and number of low-income individuals.

#### Passenger Ferry Grant Program

- \$30 million is set aside for passenger ferry grants, to be allocated through competitive selection.

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For additional information on FTA and MAP-21, visit [www.fta.dot.gov/map21](http://www.fta.dot.gov/map21).