

April 2, 2004

To the Reader:

The American Association of State Highway and Transportation Officials (AASHTO), the American Public Transportation Association (APTA), and the U. S. Department of Transportation Bureau of Transportation Statistics (BTS) are proud to release this joint 2003 Survey of State Funding for Public Transportation. The transportation departments in all 50 States and the District of Columbia responded to the survey.

States provided nearly \$9 billion in funding for transit in FY 2003. This compares with about \$7 billion in funding provided by the Federal Transit Administration (FTA) of the U.S. Department of Transportation that same year. The nearly \$9 billion in State funding for FY 2003 is more than double the \$3.7 billion provided by the States in FY 1990.

The most utilized sources of funding for transit in the States and the District of Columbia included:

- General fund 20 States
- Gas tax 15 States
- Motor Vehicle/rental car sales taxes 10 States
- Registration/title/license fees 8 States
- Bond proceeds 8 States
- General sales tax 7 States

About one-half of the State funding for transit in FY 2003 was designated for operating assistance only, about 25 per cent was for capital purposes only, and the remaining nearly 25 per cent could be used for capital or operating purposes.

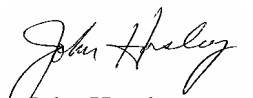
This survey of the transportation departments in the 50 States and the District of Columbia was distributed and compiled by the U.S. DOT Bureau of Transportation Statistics. We would like to thank June Jones and Tom Bolle of the BTS staff for their efforts that led to the development of this report. We would also like to thank the State DOT officials who responded to this survey. This information will be useful to officials at all levels of government involved with transit funding.

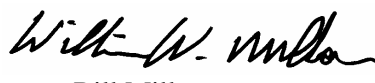
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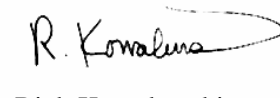
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The report is available on the AASHTO web site at www.transportation.org.

Sincerely,


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Survey of State Funding for Public Transportation

2003



**Prepared by the Department of Transportation
Bureau of Transportation Statistics**

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1.0 Introduction

■ Background

This report is the 23rd compilation of information on state funding of public transportation. The 2003 report was prepared under the auspices of the American Association of State Highway and Transportation Officials (AASHTO) and the American Public Transit Association (APTA). It was prepared by the Bureau of Transportation Statistics, Office of Survey Programs.

■ Summary Observations

A review of state funding levels over the five-year intervals displayed in Table 1.1 shows that, compared to 1990, the total amount of funds currently programmed for public transit has more than doubled. In fact, of the 49 states who reported funding in both 1990 and 2003, 41 had increased funding levels ranging from \$5,000 (Nevada) to \$1.18 billion (California). A more detailed look shows:

- Five states that provided no funding for transit in 1990 (Missouri, North Dakota, Wyoming, South Dakota, and Idaho) reported a total of \$10.96 million allotted for transit in 2003.
- Six states (Arizona, Washington, North Carolina, Kansas, California, Oklahoma) increased funding levels ranging from 10 times their 1990 level to 35 times the funds allotted in 1990 (Arizona).
- An additional fifteen states (Delaware, Vermont, Arkansas, Minnesota, Montana, Oregon, Georgia, Florida, New Jersey, Massachusetts, Tennessee, Kentucky, Texas, Illinois, and Maryland) increased their transit funding levels ranging from double to nine times the funding provided in 1990.

Data displayed in Table 1.2 show that state funding for transit has exceeded federal funding levels for each year contained in the table.

Table 1.1 State Funding of Public Transit-1990, 1995, 2000, 2003

State	1990	1995	2000	2003
Alabama	\$453,600	\$0	\$0	\$0
Alaska	\$1,128,607	\$0	\$0	\$0
Arizona	\$382,961	\$445,000	\$329,096	\$13,768,000
Arkansas	\$400,000	\$331,900	\$0	\$2,800,000
California	\$113,579,750	\$340,162,248	\$1,344,778,819	\$1,294,100,000
Colorado	\$0	\$0	\$0	\$0
Connecticut	\$87,614,575	\$113,241,041	\$163,266,135	\$190,300,000
Delaware	\$7,406,200	NR	\$35,685,145	\$74,600,000
District of Columbia	\$115,007,775	\$123,051,000	NR	\$198,038,000
Florida	\$23,214,100	\$89,510,720	\$92,724,263	\$93,500,000
Georgia	\$1,295,589	\$1,892,582	\$306,393,067	\$5,232,669
Hawaii	\$350,000	\$0	\$0	\$0
Idaho	\$0	\$0	\$136,000	\$312,000
Illinois	\$266,813,600	\$264,992,700	\$467,622,300	\$754,000,000
Indiana	\$16,623,895	NR	\$29,201,270	\$34,800,000
Iowa	\$5,367,893	\$7,464,513	\$10,411,432	\$9,500,000
Kansas	\$390,000	\$1,000,000	\$6,000,000	\$6,000,000
Kentucky	\$468,098	\$612,196	NR	\$1,400,000
Louisiana	\$3,000,000	NR	NR	\$4,962,500
Maine	\$1,949,042	\$392,000	\$420,000	\$2,250,000
Maryland	\$271,066,348	\$349,848,000	\$273,843,580	\$763,500,000
Massachusetts	\$357,508,623	\$531,895,787	\$771,356,465	\$1,165,492,492
Michigan	\$132,816,959	\$124,400,599	\$187,197,690	\$207,800,000
Minnesota	\$38,071,015	\$47,988,633	\$80,289,455	\$229,200,000
Mississippi	\$32,040	0	\$115,185	\$0
Missouri	\$0	\$1,495,000	\$17,029,357	\$6,600,000
Montana	\$71,250	\$75,000	\$75,000	\$390,000
Nebraska	\$1,500,000	\$1,529,843	\$1,539,135	\$1,600,000
Nevada	\$320,000	\$437,748	NR	\$325,000
New Hampshire	\$1,166,756	\$12,208	\$0	\$200,000
New Jersey	\$235,225,000	\$458,704,000	\$509,237,000	\$812,900,000
New Mexico	\$0	NR	\$0	\$0
New York	\$1,422,752,000 ¹	\$1,356,600,000	\$1,926,571,085	\$1,763,200,000
North Carolina	\$5,934,875	\$22,138,279	\$38,246,921	\$91,650,000
North Dakota	\$0	\$761,329	\$1,665,933	\$1,620,000
Ohio	\$32,350,882	\$29,232,523	\$42,348,466	\$20,700,000
Oklahoma	\$259,042	\$951,497	\$3,530,125	\$2,750,000
Oregon	\$6,933,258	\$44,689,000	\$15,553,262	\$30,910,000
Pennsylvania	\$425,666,677	\$628,400,000	\$731,800,000	\$823,800,000
Rhode Island	\$15,253,694	\$19,121,259	\$36,822,442	\$37,442,000
South Carolina	NR	\$4,140,384	\$4,234,189	\$6,000,000
South Dakota	\$0	\$300,000	\$397,061	\$923,000
Tennessee	\$9,860,000	\$12,458,000	\$22,291,000	\$30,400,000
Texas	\$8,831,085	\$17,200,000	\$27,945,051	\$25,700,000
Utah	NR	\$139,929	\$0	\$0
Vermont	\$668,644	\$860,917	NR	\$5,300,000
Virginia	\$73,555,000	\$78,248,186	\$163,959,344	\$131,500,000
Washington	\$2,220,900	\$6,434,900	\$84,455,509	\$39,900,000
West Virginia	\$1,261,903 ²	\$1,537,898	\$1,395,489	\$2,200,000
Wisconsin	\$53,439,491	\$77,321,415	\$100,448,100	\$108,900,000
Wyoming	\$0	\$976,736	NR	\$1,500,000
TOTALS	\$3,742,211,127	\$4,760,994,970	\$7,499,314,371	\$8,997,965,661

Note: ¹ Calendar year 1989 figures

² \$374.972 of this figure represents direct state operating assistance to public transit. \$697,281 is provided by the WV Dept. of Health & Human Services and the WV Commission on Aging and is used for the provision of specialized services to the elderly and handicapped. \$90,000 is used by the small urban and rural properties as fare box revenue to offset operating expenses.

Table 1.2 Federal and State Funding for Public Transit-1995, 2000, 2003

State	1995		2000		2003	
	Federal	State	Federal	State	Federal	State
Alabama	\$16,902,560	\$0	\$49,114,988	\$0	\$55,708,644	\$0
Alaska	\$4,841,362	\$0	\$40,378,506	\$0	\$35,037,287	\$0
Arizona	\$41,261,418	\$445,000	\$14,709,692	\$329,096	\$21,234,890	\$13,768,000
Arkansas	\$8,488,925	\$331,900	\$48,283,188	\$0	\$83,400,160	\$2,800,000
California	\$649,601,617	\$340,162,248	\$803,945,774	\$1,344,778,819	\$1,037,264,991	\$1,294,100,000
Colorado	\$29,280,952	\$0	\$88,173,455	\$0	\$134,970,569	\$0
Connecticut	\$72,346,978	\$113,241,041	\$97,120,786	\$163,266,135	\$122,623,117	\$190,300,000
Delaware	\$11,593,982	NR	\$11,081,572	\$35,685,145	\$13,453,444	\$74,600,000
District of Columbia	\$170,047,436	\$123,051,000	\$81,882,945	NR	\$131,259,551	\$198,038,000
Florida	\$149,531,205	\$89,510,720	\$200,817,015	\$92,724,263	\$268,672,898	\$93,500,000
Georgia	\$83,000,868	\$1,892,582	\$142,249,540	\$306,393,067	\$133,442,986	\$5,232,669
Hawaii	\$22,001,003	\$0	\$35,239,372	\$0	\$50,469,727	\$0
Idaho	\$4,025,973	\$0	\$5,082,659	\$136,000	\$10,838,325	\$312,000
Illinois	\$294,583,255	\$264,992,700	\$360,527,833	\$467,622,300	\$486,077,907	\$754,000,000
Indiana	\$37,208,727	NR	\$62,917,864	\$29,201,270	\$64,977,046	\$34,800,000
Iowa	\$21,846,970	\$7,464,513	\$26,916,964	\$10,411,432	\$34,023,988	\$9,500,000
Kansas	\$10,962,945	\$1,000,000	\$20,870,702	\$6,000,000	\$24,439,584	\$6,000,000
Kentucky	\$19,134,537	\$612,196	\$31,125,153	NR	\$49,395,998	\$1,400,000
Louisiana	\$48,047,184	NR	\$42,131,522	NR	\$73,200,208	\$4,962,500
Maine	\$7,318,204	\$392,000	\$5,557,356	\$420,000	\$8,988,625	\$2,250,000
Maryland	\$198,965,485	\$349,848,000	\$123,984,265	\$273,843,580	\$204,507,123	\$763,500,000
Massachusetts	\$166,754,794	\$531,895,787	\$246,495,785	\$771,356,465	\$221,430,134	\$1,165,492,492
Michigan	\$85,840,495	\$124,400,599	\$100,549,339	\$187,197,690	\$108,026,968	\$207,800,000
Minnesota	\$39,476,237	\$47,988,633	\$106,819,233	\$80,289,455	\$143,169,667	\$229,200,000
Mississippi	\$8,142,041	0	\$14,673,609	\$115,185	\$15,681,001	\$0
Missouri	\$53,018,181	\$1,495,000	\$107,250,001	\$17,029,357	\$78,173,441	\$6,600,000
Montana	\$3,221,003	\$75,000	\$4,654,640	\$75,000	\$6,837,809	\$390,000
Nebraska	\$8,824,208	\$1,529,843	\$11,222,741	\$1,539,135	\$14,056,687	\$1,600,000
Nevada	\$18,357,309	\$437,748	\$28,973,132	NR	\$46,687,529	\$325,000
New Hampshire	\$4,268,315	\$12,208	\$9,587,773	\$0	\$11,020,834	\$200,000
New Jersey	\$331,862,771	\$458,704,000	\$383,154,150	\$509,237,000	\$474,826,119	\$812,900,000
New Mexico	\$12,426,863	NR	\$29,447,445	\$0	\$14,892,639	\$0
New York	\$787,777,442	\$1,356,600,000	\$844,551,502	\$1,926,571,085	\$983,801,302	\$1,763,200,000
North Carolina	\$43,670,248	\$22,138,279	\$55,259,602	\$38,246,921	\$85,073,110	\$91,650,000
North Dakota	\$2,908,485	\$761,329	\$4,615,183	\$1,665,933	\$7,679,247	\$1,620,000
Ohio	\$118,313,658	\$29,232,523	\$132,460,261	\$42,348,466	\$145,216,794	\$20,700,000
Oklahoma	\$12,593,429	\$951,497	\$20,282,810	\$3,530,125	\$37,458,144	\$2,750,000
Oregon	\$127,700,494	\$44,689,000	\$52,338,618	\$15,553,262	\$125,933,795	\$30,910,000
Pennsylvania	\$262,501,789	\$628,400,000	\$297,215,171	\$731,800,000	\$348,230,994	\$823,800,000
Rhode Island	\$16,335,161	\$19,121,259	\$15,620,075	\$36,822,442	\$22,410,313	\$37,442,000
South Carolina	\$13,171,783	\$4,140,384	\$29,052,501	\$4,234,189	\$34,344,175	\$6,000,000
South Dakota	\$3,776,343	\$300,000	\$4,746,558	\$397,061	\$5,484,118	\$923,000
Tennessee	\$37,004,538	\$12,458,000	\$38,010,482	\$22,291,000	\$76,939,883	\$30,400,000
Texas	\$195,305,908	\$17,200,000	\$296,982,717	\$27,945,051	\$330,035,078	\$25,700,000
Utah	\$25,773,288	\$139,929	\$80,950,767	\$0	\$120,077,517	\$0
Vermont	\$3,324,851	\$860,917	\$7,899,831	NR	\$9,694,425	\$5,300,000
Virginia	\$45,222,167	\$78,248,186	\$104,760,752	\$163,959,344	\$121,165,641	\$131,500,000
Washington	\$76,207,278	\$6,434,900	\$149,744,731	\$84,455,509	\$193,723,591	\$39,900,000
West Virginia	\$9,377,226	\$1,537,898	\$29,773,943	\$1,395,489	\$19,689,552	\$2,200,000
Wisconsin	\$54,763,914	\$77,321,415	\$65,748,459	\$100,448,100	\$71,247,923	\$108,900,000
Wyoming	\$1,835,208	\$976,736	\$2,307,708	NR	\$5,447,663	\$1,500,000
TOTALS	\$4,470,747,013	\$4,760,994,970	\$5,567,260,670	\$7,499,314,371	\$6,922,443,161	\$8,997,965,661

Note: Federal fund information provided by the Department of Transportation, Federal Transit Administration.

■ Methodology

Initial Round: Request for Updated Funding Information

The 2002 survey was conducted by the Transportation Cooperative Research Program of the Transportation Research Board. Findings were published in Research Results Digest #60. That survey effort established the format for both the data collection procedure and the format of the final report for this year's survey.

On December 1, 2003, an introductory letter that explained the information-gathering effort for FY 2003, along with a copy of the information submitted by each state during the 2002 survey, was sent by FedEx to all 50 states and the District of Columbia. Four states had not responded to the 2002 survey so their 2003 packet contained copies of information provided by neighboring states to give them "template" for summarizing their own state information. States were asked to update the information provided during the 2002 effort and return the corrected sheets by FedEx.

About one week after the initial mailing of survey packets, each state was contacted by phone to ensure that they had received the packet. Several states required duplicate mailings as the packets had not been received. Beginning the week of January 2, 2004, all states who had not yet responded to the survey were contacted by phone. A few states required additional mailing of survey materials. By late January, approximately 80% of the states had responded to the survey and phone contacts with the remaining states continued. By February 13, all states had submitted their transit funding information and a draft report of results was submitted to AASHTO. During the AASHTO review, BTS faxed copies of the "final" state information to all states offering one final chance to ensure that their information was correctly reported. The final report was published by AASHTO in March 2004.

The following basic information was solicited from each state:

- *Sources of funds.* What state taxes or revenues are used to support transit?
- *Nature of programs.* What is the focus of discrete funding programs?
- *Amounts of funding.* What amounts are being contributed from which sources?
- *Eligible uses of funds.* For what purposes are funds provided?
- *Allocation mechanisms.* What factors are used in allocating funds to what recipients?

■ Report Contents and Organization

The bulk of this report presents major details of current funding programs in FY 2003 for each state using the identical two-page diagram and bullet point format developed in the 2002 study. The summary highlights are presented on two levels based on data availability for different respondents. *Historical comparisons* across factors such as total funding, per capita funding, fund sources, and allocation mechanisms are also presented. In addition to the state funding summaries, this report also contains profiles of transit-related ballot initiatives from 2003, tracking results at the state and local level.

This report is organized into four sections. Following this introductory section, Section 2.0 contains state transit program details for all states using a two-page diagram and text format, including funding sources and amounts, allocation mechanisms, and program descriptions. Section 3.0 presents highlights from reported information for all 50 states and the District of Columbia. Section 4.0 presents a summary of results from a subset of recent *state and local ballot initiatives* aimed to increase funding for transit.

2.0 State Transit Program Details

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Alabama State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
No state funding provided for transit in FY 2003.			

■ **Alabama State Transit Funding: Major Features**

- The state does not provide funding for transit.

Alaska State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
<p>No state funding provided for transit in FY 2003.</p>			

■ **Alaska State Transit Funding: Major Features**

- The state does not provide funding for transit.

Arizona State Transit Funding: Program Structure and Characteristics

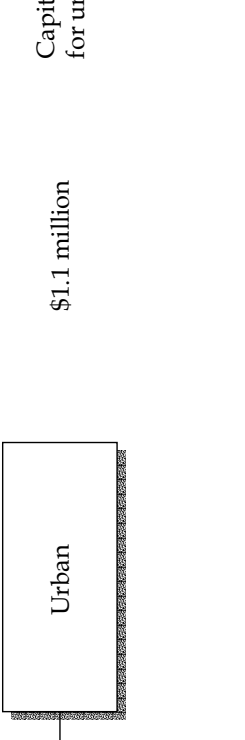
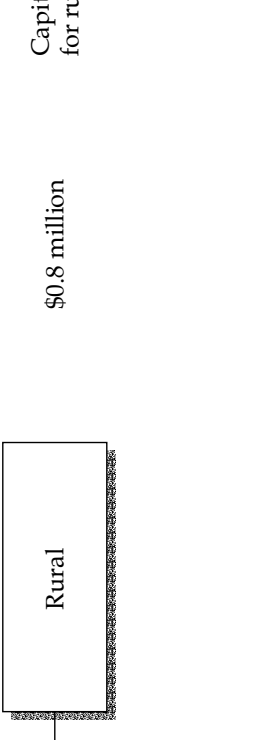
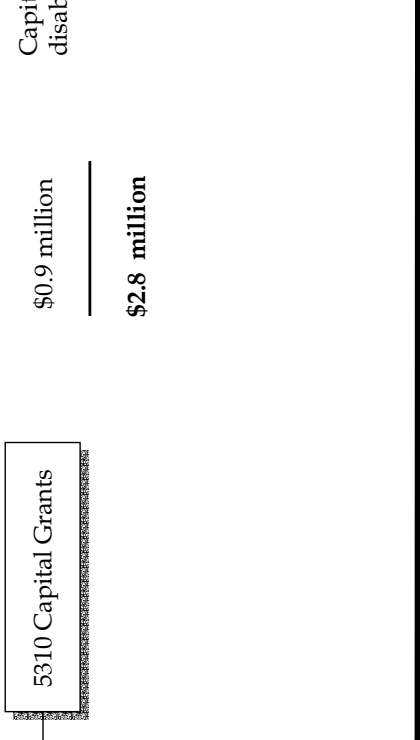
Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
STP Flexible Funds	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Capital Assistance</div>	\$6.5 million	<p>ADOT distributes STP flexible funds to rural and urban transit providers. Funds may be used for capital purposes, subject to approval by ADOT.</p>
State General Fund	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Planning</div>	\$.068 million	<p>Can be used by transit providers to match federal 5313 planning funds.</p>
Local Transportation Assistance Fund II (L.T.A.F II)	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Operating, Capital Planning</div>	<p>\$7.2 million</p> <hr style="width: 50%; margin: 0 auto;"/> <p>\$13.768 million</p>	<p>Any transit purpose that includes public transportation, special needs, dial-a-ride, etc. Distributed only to cities, towns and counties.</p>

■ **Arizona State Transit Funding: Major Features**

- State transit funding for FY 2003 totaled slightly more than \$13.7 million—an increase of over \$12 million. The increase was due to a change in funding source from the State Lottery (\$1.5 million in 2002) to STP Flexible Funds (\$6.5 million in 2003) and the addition of the Local Transportation Assistance Fund II (\$7.2 million in 2003).

(Arizona's fiscal year is July to June.)

Arkansas State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Rental Car Tax (\$2.85 million)	 <p>Urban</p>	\$1.1 million	Capital match and operating assistance for urban systems.
	 <p>Rural</p>	\$0.8 million	Capital match and operating assistance for rural systems.
	 <p>5310 Capital Grants</p>	\$0.9 million <hr/> \$2.8 million	Capital grants for 5310 elderly and disabled programs.

■ **Arkansas State Transit Funding: Major Features**

- Total state transit funding in FY 2003 was \$2.8 million, or about \$1.03 per capita.
- Transit funding comes from a dedicated source generated by a tax on rental cars. This funding began in FY 2002 and remained constant in FY 2003.
- The funds are used both for capital match and operating assistance for urban and rural transit systems and for expanding Arkansas's 5310 capital grant program.

(Arkansas' fiscal year is from July to June.)

California State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
<div style="border: 1px dashed black; padding: 5px;"> 1/4 cent of 7.25% retail sales tax </div>	<div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid black; padding: 5px; width: 45%;">Local Transportation Fund</div> <div style="border: 1px solid black; padding: 5px; width: 45%;">State Transit Assistance Fund</div> </div>	\$1,100 million	Collected by the state; returned to county of origin. Apportioned by population within counties. Supports local transit—capital or operations.
<div style="border: 1px solid black; padding: 5px;"> Public Transportation Account (Gasoline & Diesel Sales Tax) </div>	<div style="border: 1px solid black; padding: 5px;"> Traffic Congestion Relief Program </div>	\$2.8 million	Allocated to support operation of water-borne ferry services in the Bay Area.
<div style="border: 1px solid black; padding: 5px;"> Traffic Congestion Relief Fund </div>	<div style="border: 1px solid black; padding: 5px;"> Traffic Congestion Relief Program </div>	\$57.5 million	Eligible capital projects identified in the Governor's FY 2000-01 budget to ease congestion and enhance connectivity between modes.
<div style="border: 1px solid black; padding: 5px;"> State Highway Account (Fuel Users Tax and Weight Fees) </div>	<div style="border: 1px solid black; padding: 5px;"> State Transportation Improvement Program </div>	\$17.8 million	Of the amount available for programming, 75% is allocated to counties by population, and 25% is retained by the State for interregional improvements. Capital projects only.
<div style="border: 1px solid black; padding: 5px;"> Clean Air and Transportation Improvement Act (Bond Funds) </div>	<div style="border: 1px solid black; padding: 5px;"> Proposition 116 Program </div>	\$18.0 million	Discretionary capital grants to local transportation agencies and jurisdictions for rail and fixed guide way projects. Project approval by California Transportation Commission.
		\$1,294.1 million	

■ California State Transit Funding: Major Features

- Total state transit funding has decreased from approximately \$2.1 billion in FY 2002 to just under \$1.3 billion in FY 2003. This translates to a decrease in per capita funding from approximately \$62 to \$37.
- The State of California has experienced significant revenue reductions pursuant to the nationwide recession. This has resulted in the transfer of funds from transportation projects to other critical and essential functions. Most notably, revenues for transit projects programmed in the Traffic Congestion Relief Program fell from \$574 million in FY 2002 to \$57.5 million in FY 2003.
- State funding supports the full spectrum of transit needs – capital, operations and planning.
- The primary source of state transit funding continues to be revenues from the ¼ cent of the 7 ¼ percent retail sales tax flowing through the “Local Transportation Fund” established by the Transportation Development Act (TDA). Revenues are collected by the State and returned to each county according to the amount that was collected in that county (as a result, they are often characterized as “local” rather than state funds).
- State funding from gasoline and diesel sales taxes also flow to transit through the “State Transit Assistance Fund/Public Transportation Account.”
- The current state transit program structure represents a consolidation and simplification of accounts and programs that support transit.

(California’s fiscal year is July to June)

Colorado State Transit Funding: Program Structure and Characteristics

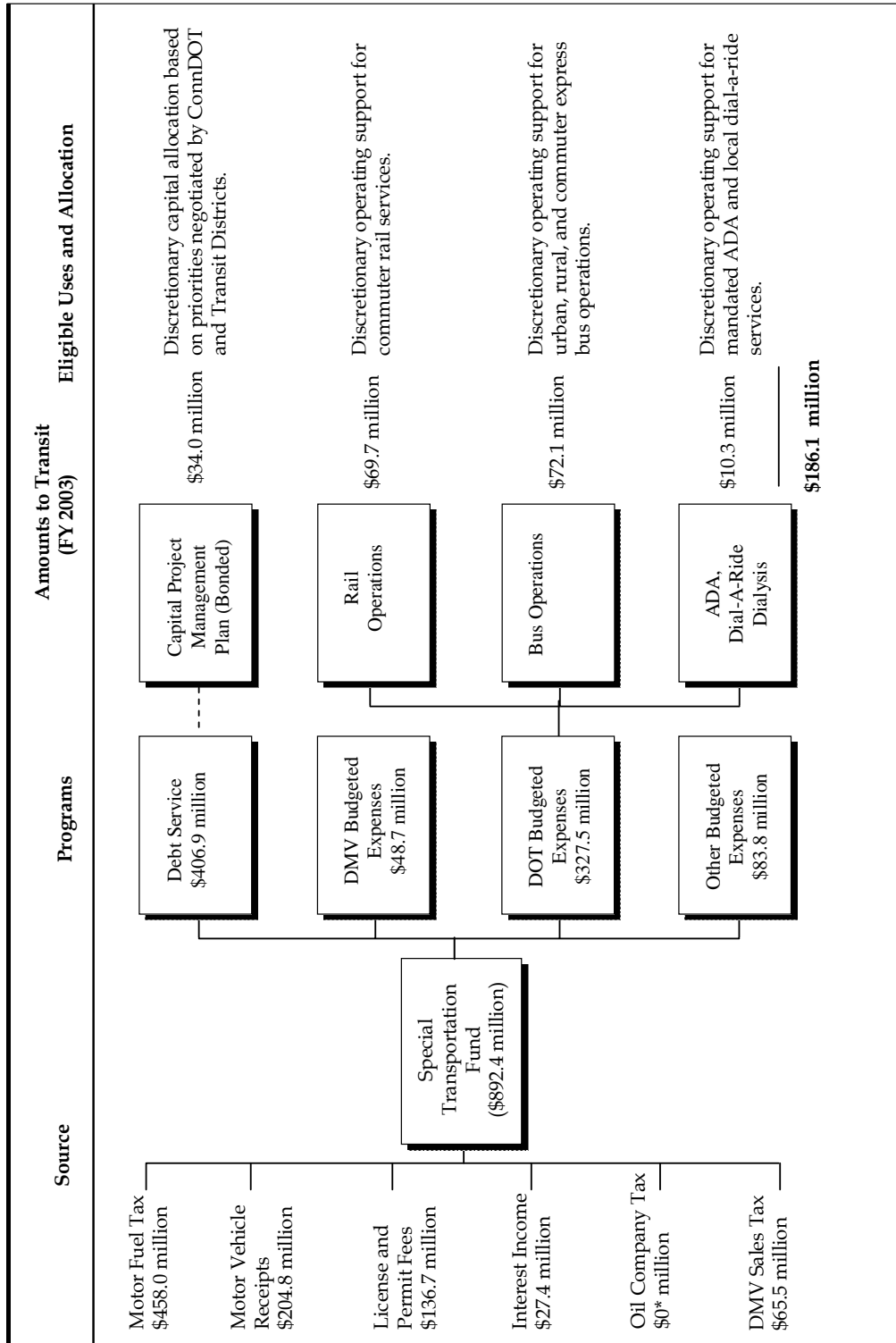
Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
No state funding provided for transit in FY 2003.			

■ **Colorado State Transit Funding: Major Features**

- Transit projects are funded solely with federal and local dollars.
- A transportation funding bill was passed during the 2002 legislative session that will provide state funding for future transit-related purposes. The bill sets aside 10 percent of certain general fund transportation funds for strategic, transit-related purposes. These funds are derived by formula from excess state sales tax revenues. It is the responsibility of CDOT to define what constitutes “transit-related purposes” and the process for allocating funding. Because of the recent economic downturn, it is anticipated that excess tax revenues will not be available until at least 2007.

(Colorado’s fiscal year is July to June)

Connecticut State Transit Funding: Program Structure and Characteristics



* Section 36 of Public Act 03-02 suspended the scheduled transfer of \$20 million to the Special Transportation Fund.

■ **Connecticut State Transit Funding: Major Features**

- Total state transit funding increased from \$178.1 million in FY 2002 to \$186.1 million in FY 2003. This translates to a rise in per capita state funding from \$52 to \$53.43.
- The state funds virtually all transit in Connecticut. Minimal financial support for transit is provided by local governments, mostly for localized paratransit services.
- State operating support for bus services is provided on a deficit basis, driven by historic shares but subject to funding limitations in the state's biennial budget. The bus transit capital funding process involves pooling state and federally apportioned funds. Annual capital funding commitments are then determined through collaboration between the state and local transit districts.
- The state, through contractual arrangements, operates services in eight service areas under the title of CT Transit. CT Transit services account for approximately 70 percent of transit services and 80 percent of transit ridership statewide.
- Connecticut DOT, through its Office of Transit and Ridesharing, administers a growing number of programs on a statewide basis, including ridesharing and jobs access.
- A recent bus transit governance, management, and finance study explored directions for fundamentally altering current governance, management, and financing practices for transit.

(Connecticut's fiscal year is from July to June.)

Delaware State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Bridge Tolls Gas Tax Vehicle Registration Fees	<pre> graph TD A[State Transit Fund] --- B[Rail Service Paratransit Fixed Route] A --- C[Capital Program] D[Bridge Tolls] --- A E[Gas Tax] --- A F[Vehicle Registration Fees] --- A </pre>	\$44.8 million	For operations expenditures on state-wide public transit system. Approved by state legislature.
		\$29.8 million	Includes <ul style="list-style-type: none"> •34.3% on rail preservation and enhancement •18.4% on vehicle replacement and expansion amenities •47.3% on facility preservation, enhancement, and expansion
		\$74.6 million	

NOTE: On capital side, state match to federal funding is included above. Total capital budget was \$37.0 million.

■ Delaware State Transit Funding: Major Features

- Total state transit funding increased from \$72 million in FY 2002 to \$74.6 million in FY 2003. This translates to a rise in per capita state funding from approximately \$89 to \$91.
- All public transit services are provided by the Delaware Transit Corporation, a division of the Delaware DOT.
- All services and programs are primarily funded through a single state trust fund, whose sources are bridge tolls, a portion of the gas tax, and vehicle registration fees. Additional revenue sources include passenger revenue and federal subsidy and grants.
- State funding provides 76 percent of the operating costs of the Delaware Transit Corporation.

(Delaware's fiscal year is from July to June.)

District of Columbia Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
General Revenue Funds	Operating Subsidy to WMATA	\$154.5 million	Includes \$91.2 million allocated to Metrorail, \$53.0 million to Metrorail, and \$10.3 million to debt service.
	School Transit Subsidy to WMATA	\$3.0 million	The D.C. Omnibus Budget Support Act of 1995 authorizes the payment of 50% of the base fare as subsidy for the transportation of District students to and from school and related activities.
	Section 5303 Metropolitan Transit Planning Program	\$0.03 million	D.C. matching financial assistance to the Metropolitan Planning Organization.
	Section 5313(b) Statewide Transit Planning Program	\$0.008 million	D.C. matching financial assistance for statewide transit planning activities.
State Bonds Funding	Capital Subsidy to WMATA	\$40.5 million	WMATA Capital Program.
		\$198.038 million	

WMATA = Washington Metropolitan Area Transit Authority

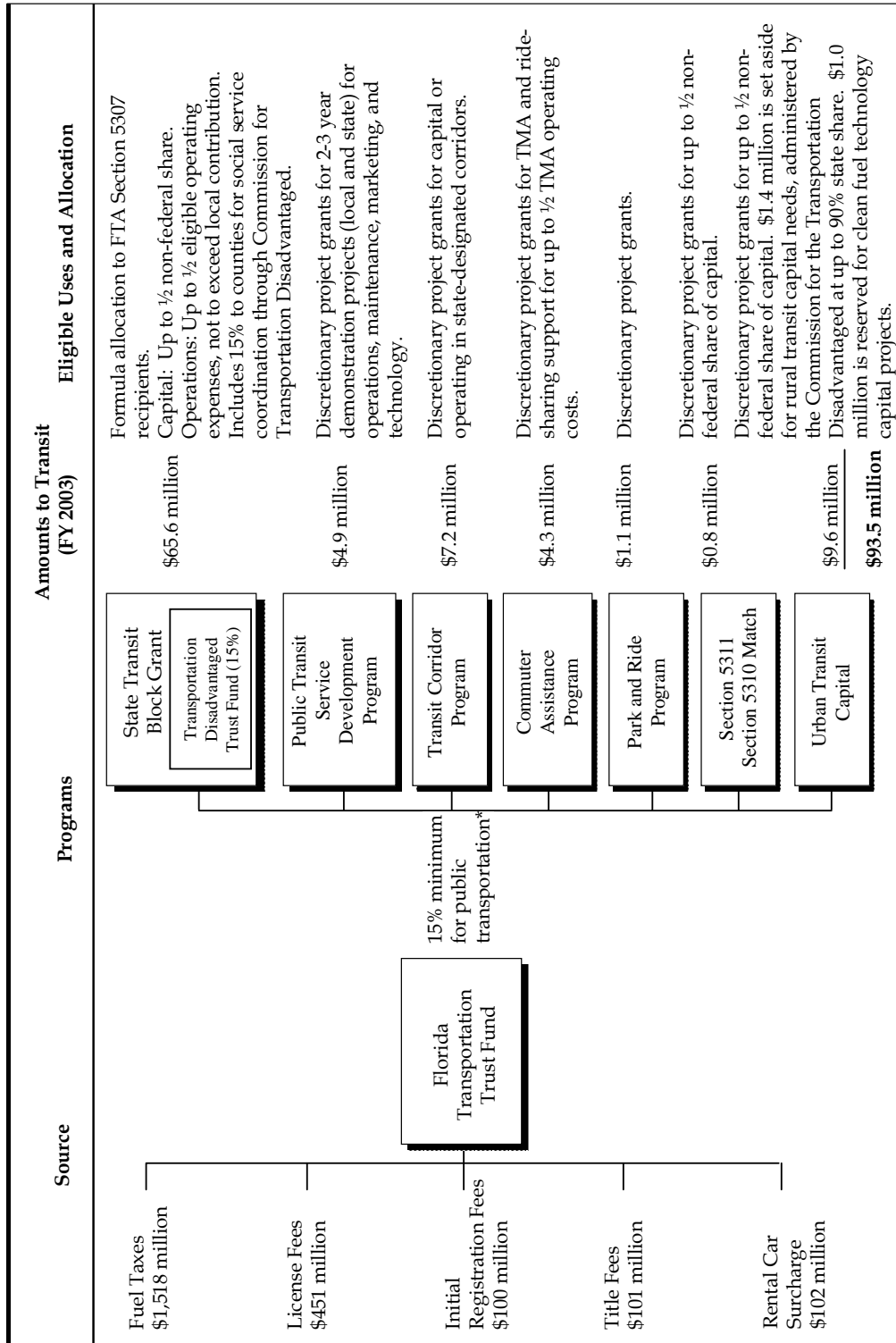
■ **District of Columbia Transit Funding: Major Features**

- Total District funding for transit in FY 2003 was approximately \$198 million, or about \$352 per capita. The bulk of these funds are dedicated to operating and capital subsidies for the Washington Metropolitan Area Transit Authority (WMATA).¹
- The District of Columbia uniquely acts as both a state and local funding source.

(DC's fiscal year is from October to September.)

¹ The District of Columbia per capita figure is artificially high. WMATA extends well beyond the District boundaries into Maryland and Virginia and, therefore, serves a population much larger than that of the District. Per capita figure is calculated only for District investment per District resident population.

Florida Transit Funding: Program Structure and Characteristics



* Includes aviation, rail, transit, seaports, and intermodal; transit share is approximately 4%. TMA=Transportation Management Agency

■ **Florida State Transit Funding: Major Features**

- Total state transit funding increased from \$91.6 million in FY 2002 to \$93.5 million in FY 2003 for a per capita cost of \$5.49.
- State funding supports the full spectrum of transit needs—capital, operations, and planning.
- Urban transit capital program funds are now being reserved for use as match to FTA New Start Projects in Florida.
- By state law, a minimum of 15% of state transportation trust fund dollars must be spent for public transportation, which includes transit, rail, aviation, seaports and intermodal facilities. Transit makes up 4% of state transportation expenditures.

(Florida's fiscal year is from July to June.)

Georgia State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
State General Funds	Urban Capital Program	\$2,363,403	Supports one-half non-federal share (10%) of priority capital projects in urbanized areas as a "continuation" or baseline budget, based on TIPs. Funds allocated directly by federal formula; any excess allocated by state formula based on ridership, farebox recovery, revenue vehicle miles, and trips per capita.
	Rural Capital Program	\$562,620	Supports one-half non-federal share (10%) of priority capital projects in 82 small urban and rural areas as a "continuation" or baseline budget, based on a Rural TIP.
	Enhancement Budget	\$2,151,754	Supplemental discretionary capital funds from annual appropriation used to support statewide bus purchases and earmarked projects; every agency receives some funding.
	Planning Support	\$154,892	Supports MPO planning in 14 MPOs with a minimum allocation and additional amounts to TMAs, negotiated with MPOs intermittently; balances allocated at DOT's discretion.
	Intercity Bus Program	\$0	Federal and private funds (no state funds) support marketing, signage, and vehicle purchases.
		\$5,232,669	

TMA = transportation management agency.

■ **Georgia State Transit Funding: Major Features**

- Total state transit funding in FY 2003 was about \$5.2 million, or \$0.60 per capita.
- The majority of the state transit funding budget comes from two sources: the Section 5307 Urbanized Area Formula Program (\$2.4 million) and from a special “enhancement” request made of the state legislature by Georgia DOT (\$2.2 million).
- The state provides capital and planning funds, but no transit operating support.
- State funding for the Metropolitan Atlanta Rapid Transit Authority (MARTA) is included within the urban capital program.
- All rural providers are local or county governments, some of whom contract with other providers for service. Georgia DOT representatives assist rural areas in service planning and capital budgeting based on twice-year estimates of needs.
- Through the Georgia Public Transit Association, transit agencies are currently developing proposals for a state program of operating assistance and a transportation infrastructure fee in the form of a state gas tax increase to support added multimodal investment.

(Georgia’s fiscal year is from July to June.)

Hawaii State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
<p>Hawaii has no continuous source of state funding for transit.</p>			

■ **Hawaii State Transit Funding: Major Features**

- The state of Hawaii has delegated responsibility for transit funding to the four county agencies of Kauai, Oahu, Maui, and Hawaii.
- The state of Hawaii does sometimes provide additional funds for transit. In FY 2003, the state provided approximately \$116,000 for the County of Kauai.

Idaho State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Miscellaneous Revenue	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> Non-urbanized and Seniors and Persons with Disabilities </div>	\$312,000	Discretionary allocation for vehicle purchase. First, federal funds are allocated by formula, state funds are used to complete 80% of vehicle costs, then local dollars provide a 20% match.

■ **Idaho State Transit Funding: Major Features**

- Total state transit funding in FY 2003 was \$312,000, or \$0.23 per capita.
- State transit funds are taken entirely from Idaho Transportation Department's miscellaneous revenues. Gas tax funds are restricted to road spending by the state constitution, and the legislature has not allowed general fund monies to be appropriated for transit.
- Local matches are generally funded by property taxes or donations.

(Idaho's fiscal year is from July to June.)

Illinois State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
<p>General Revenue Funds</p>	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Operating Assistance Program</div>	\$398 million	<p>Northeast Illinois (RTA system) receives General Revenue Funds equal to 25% of the RTA sales tax collected in northeast Illinois. The Metro-East system in southwest Illinois receives GRF equal to 85% of 2/32 of the sales tax collected in the region. Other eligible downstate areas receive GRF equal to 2/32 of the sales tax collected in those areas. Each area is limited to 55% of their operating budget in FY 2003.</p>
<p>State Bonds (\$96 million)</p> <p>Strategic Capital Improvement Program Bonds (\$260 million)</p> <p>General Revenue (\$0 dollars)</p>	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Capital Assistance Program</div>	<p>\$356 million</p> <hr style="width: 50%; margin: 0 auto;"/> <p>\$754 million</p>	
<p>For the Strategic Capital Improvement Program, the RTA is authorized to sell bonds for state-approved transit projects. The RTA receives General Revenue Funds equal to the debt service on those bonds. Downstate capital assistance is discretionary and determined through the legislative process.</p>			

GRF = General Revenue Fund.
RTA = Regional Transportation Authority.

■ **Illinois State Transit Funding: Major Features**

- Total state transit funding in FY 2003 is \$754 million, or \$59.59 per capita.
- Operating assistance is funded from general revenue funds and includes a fare reimbursement program, debt service on capital bonds, and general operating assistance. Systems can receive operating assistance for providing reduced fare to the elderly and persons with disabilities. The amount available each year is determined through the legislative process.
- General fund operating assistance for downstate transit operators cannot exceed 55 percent of any recipient's operating budget. The Northeastern Illinois Regional Transportation Authority (RTA) area has a minimum fare box recovery rate of 50 percent.
- Beginning in FY 2000, a number of local transit initiatives were funded through a state-wide bond program entitled "Illinois FIRST." In FY 2003, Northeastern Illinois received \$39.6 million, the Chicago Transit Authority (CTA) received \$12.3 million, and all other downstate agencies received \$4.6 million.

(Illinois' fiscal year is from July to June.)

Indiana State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
<p>Sales and Use Tax (.775% to transit)</p>	<p>Public Mass Transportation Fund (.635%)</p>	<p>\$28.3 million</p>	<p>Operating and capital assistance distributed by formula based on total boardings, total vehicle miles of travel, and amount of local-derived income.</p>
	<p>Commuter Rail Service Fund (.14%)</p>		
		<p>\$34.8 million</p>	

■ **Indiana State Transit Funding: Major Features**

- State transit funding decreased from \$37 million in FY 2002 to \$34.8 million in FY 2003. This translates to a decline in per capita state funding from \$6.00 to \$5.60.
- Operating and capital funds for transit are administered through the public mass transportation fund. The state sales and use tax is applied to this fund.
- Since 1997, the state has not applied for FTA grants for Section 5309, but has received grants for Sections 5303, 5310, 5311 and 5313.
- A Regional Transportation Authority (RTA) has been established in the Northwestern Indiana Regional Planning Commission (NIRPC). Although the enabling legislation has passed, the RTA remains unfunded at this time.

(Indiana's fiscal year is from January to December.)

Iowa State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
<p>4% of Use Tax on Sale of Motor Vehicles</p>	<pre> graph TD A[4% of Use Tax on Sale of Motor Vehicles] --> B[State Transit Assistance (\$9.9 million)] B --> C[Formula] B --> D[Special Projects] </pre>	<p>\$9.2 million (based on receipts minus diversions)</p>	<p>Support of public transit operations/ capital. Split between regional systems and urban systems based on revenue miles (approximately 50/50). Within peer groups, distribution 50% based on locally derived income (LDI), 25% based on ridership, and 25% on revenue miles.</p>
	<p>Special Projects</p>	<p>\$0.3 million (fixed)</p>	<p>Statewide projects for marketing, training, advanced technologies, etc.</p>
		<p>\$9.5 million</p>	

■ Iowa State Transit Funding: Major Features

- Total state transit funding in FY 2003 was \$9.5 million, or about \$3.23 per capita.
- State legislation allocates 1/20 of the first \$0.04 of the use tax on the sale of motor vehicles and accessory equipment to the support of public transit. While the monies were originally placed in a separate dedicated fund, since 1993 they have been run through the state's general fund.
- In FY 2002 and again in FY 2003, the Iowa legislature responded to the state's budget shortfall by voting to divert a portion of the funds set aside for transit to other general fund needs. For FY 2003, this reduced the funding available to transit by approximately \$1.2 million.
- The 2002 Iowa legislature, while diverting funds from the transit program for FY 2003, also amended the Code of Iowa to once again send the dedicated transit funds directly to the DOT rather than placing them in the general fund starting in FY 2005.
- Of the total amount available for transit support in any given year, \$300,000 are initially reserved for "special projects" to enhance the transit program, while the rest of the funds are distributed on the basis of a performance-based formula to the state's 19 urban and 16 regional transit systems to be used at the discretion of the local transit policy board for projects supporting public transit.
- Special projects are generally statewide in scope and include such items as a statewide transit awareness campaign, a fellowship program for transit systems in communities with populations greater than 50,000 (similar to what is made available to rural systems using the FTA Rural Transit Assistance Program [RTAP]), and projects for the introduction of advanced technologies. Of the set-aside special projects, any part not needed for such purposes can be distributed to the transit systems via the formula.
- Iowa's distribution formula makes an initial split in funding between the state's urban transit systems and the multi-county regional transit systems. This is based on total revenue miles provided by each peer group. Then with each peer group, each system receives an allocation of state transit assistance, which is based 50 percent on the amount of locally determined income generated in the previous year in comparison with peers, 25 percent on ridership in comparison with peers, and 25 percent on revenue miles in comparison with peers.
- Formula funds are distributed to transit systems monthly upon receipt by DOT.

(Iowa's fiscal year is from July to June.)

Kansas State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
State Motor Fuel Tax (\$6 million allocated to transit)	Rural Operating Assistance	\$1.60 million	Discretionary allocation based on identified needs.
	Urban Operating Assistance	\$2.21 million	Discretionary allocation based on identified needs.
	Rural Capital Assistance	\$0.86 million	Discretionary allocation based on identified needs.
	Urban Capital Assistance	\$1.33 million	Discretionary allocation based on identified needs.
		\$6.0 million	

■ **Kansas State Transit Funding: Major Features**

- Total state transit funding in FY 2003 was \$6.0 million, or \$2.20 per capita. The state has programmed \$6.0 million per fiscal year through FY 2009.
- The source of the funds is the state motor fuel tax, which is divided between rural (41 percent) and urban (59 percent) transit operators and is used for operating and capital needs.
- The selection process for funding begins by needs requests, which are compiled by various transit operators. These needs requests are then screened by 15 coordinated transit districts (CTDs), which view the requests in light of district wide needs. The recommendations made by the CTDs are then forwarded to the state DOT transit section, which notifies the final fund recipients.

(Kansas' fiscal year is from January to December.)

Kentucky State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
State General Funds (\$1.4 million)	Elderly and Disabled Capital	\$0.16 million	Formula match of up to 10% of capital projects.
	Rural Capital and Discretionary	\$1.0 million	Formula match of up to 10% of capital projects.
	Small Urban Capital	\$0.24 million	Formula match of up to 10% of capital projects.
		\$1.4 million	

■ **Kentucky State Transit Funding: Major Features**

- Total state transit funding in FY 2003 was \$1.4 million, or about \$0.34 per capita.
- The state uses state general funds to match up to one-half of the local shares of capital projects. While state funds are also eligible for operating costs, no state funds have been appropriated for this purpose.
- Prioritization of funds occurs in the following order: elderly and disabled program, rural program, small urban systems, and large urban areas.
- Generally, the state requests funding for about 150 elderly and disabled program vehicles and is provided funding for approximately 40. Vehicle replacement criteria such as mileage, age, clientele, ridership, and other vehicle factors are used to prioritize funds. Funds are not available for service expansion, only system preservation (i.e., replacement of aging vehicles).

(Kentucky's fiscal year is from July to June.)

Louisiana State Transit Funding: Program Structure and Characteristics

Source	Programs	Amount to Transit (FY 2003)	Eligible Uses and Allocation
Parish Transportation Trust Funds Mass Transit Account	All eligible 5311 (non-urban) programs	\$124,063	Funds for 5311 Capital Projects.
	All 5307 programs	\$4,838,437	Funds may be spent on any transit-related activity.
		\$4,962,500	

■ **Louisiana State Transit Funding: Major Features**

- Total state transit funding for FY 2003 was \$4,962,500, or \$1.10 per capita.
- A total of \$4,838,437 was allocated to 12 urban and small urban transit providers in accordance with a formula established in the Louisiana Legislature.
- \$124,063 was allocated to fund 5311 capital projects for rural transit providers.

(Louisiana's fiscal year is from July to June.)

Maine State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
General Fund	Public Transportation Fund	\$0.5 million	Supports local transit operations, matching federal transit grants.
General Fund Bonds	Passenger-Related Improvements	\$1.75 million	Transit bus and passenger ferry replacements, matching federal grants, and state investment in capital for transit to reduce seasonal congestion.
		\$2.25 million	

■ **Maine State Transit Funding: Major Features**

- Total state transit funding in FY 2003 was \$2.25 million, or \$1.72 per capita.
- The constitutional barrier to using state highway tax dollars for nonhighway purposes limits funding for transit. However, the new Transit Bonus Program (which is capped at 1 percent of the State Highway Tax), gives towns a bonus in their local roads accounts if they increase their contributions to transit.

(Maine's fiscal year is from July to June.)

Maryland State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation	
General Fund (32.6%) Motor Vehicle Excise Taxes (35.9%) Motor Vehicle Fees (17.0%) Corporate Income Taxes (4.1%) Bond Proceeds (10.3%)	Transportation Trust Fund	\$448.6 million	Discretionary funding: \$296 million for operating, \$107.4 million for capital. Funds Maryland Transit Administration services in Baltimore Metropolitan Area, and Baltimore/Washington commuter rail operating expenses (\$45.2 million).	
				Large Urban Area Program (Baltimore Area)
	Statewide Grant Program	\$281.3 million	Formula-based Maryland share of Washington Metropolitan Area Transit Authority (WMATA) needs (\$152.4 million capital, \$128.9 million operating).	Formula-based Maryland share of Washington Metropolitan Area Transit Authority (WMATA) needs (\$152.4 million capital, \$128.9 million operating).
		Small Urban Program	\$1.6 million \$0.4 million	25% operating assistance match for 5307 programs. 10% capital assistance match for 5307
		Statewide Special Transportation Assistance Program	\$4.7 million	Formula-based program that allocates 60% of funds evenly to providers; 40% of distribution based on elderly/disabled population. All providers of elderly/disabled services are eligible.
		ADA Services	\$2.4 million	Discretionary program with distribution based on need to counties or human service organizations.
		Job Access	\$1.7 million	Discretionary funding that matches FTA grant for low-income access to jobs.
		New Starts	\$0.9 million	For extensions of current service. A discretionary program whose allocation is based on competitive grant process.
		Rural Transit Program	\$1.7 million	Formula-based funding for operating expenditures: 90% of distribution based on past needs, 10% based on rural population.
		Governor's Transit Initiative	\$0.2 million \$20.0 million	For capital expenditures distribution based on current needs Funding for local transit systems to expand current levels of service to meet statewide ridership goals. \$15.4 million is allocated for operating expenditures and \$4.6 million for capital.
		\$763.5 million		

■ **Maryland State Transit Funding: Major Features**

- Total state transit funding increased from \$627 million in FY 2002 to \$763.5 million in FY 2003. This translates to a rise in per capita investment from \$118 to \$139.
- Funding to support all modal expenditures flows through the Transportation Trust Fund. The state legislature allocates funding to each modal administration based on budget requests. Transit received 29 percent of the total transportation capital budget in FY 2003.
- The Maryland Transit Administration is required by statute to recover 40 percent of its transit operating expense through fares, with a goal of 50-percent recovery.

(Maryland's fiscal year is from July to June.)

Massachusetts State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
80% General Fund 20% Highway Fund	Operating Assistance for 15 Regional Transit Authorities (other than the MBTA)	\$47,782,640	The Commonwealth reimburses the 15 Regional Transit Authorities at least 50% of their net operating deficit and up to 75%. The local communities reimburse at least 25% and up to 50% of the net operating deficit.
Local Assessments	Operating Assistance for 15 Regional Transit Authorities (other than the MBTA)	\$18,390,990	231 municipalities pay an annual assessment for the reimbursement of the net operating deficit.
100% Highway Fund	Capital assistance for 15 Regional Transit Authorities (other than the MBTA)	\$5,905,455	Statewide capital assistance for 15 RTAs (other than the MBTA). Federal funds pay for 80% of the project costs and State funds pay for 20%; except for rural transit authorities which do not receive federal capital formula funds and the State pays 100%.
Sales Tax Revenue	Operating assistance for the MBTA	\$684,280,500	Dedicated revenue stream for the MBTA which equals 20% of the existing statewide 5% sales tax.
Local Assessments	Operating assistance for MBTA	\$141,142,768	175 municipalities within the MBTA's district pay an annual assessment for the reimbursement of operating expenditures.
MBTA Revenue Bonds	Capital assistance through MBTA guaranteed bonds	\$265,787,735	Used to provide the local match (\$30M) for MBTA federally funded projects and fund capital needs (\$235.8M) that exceed federal funding availability.
State Infrastructure Fund	Capital assistance to MBTA for specific project	\$2,202,404	State share of the Dorchester Branch Rehabilitation Project.
		\$1,165,492,492	

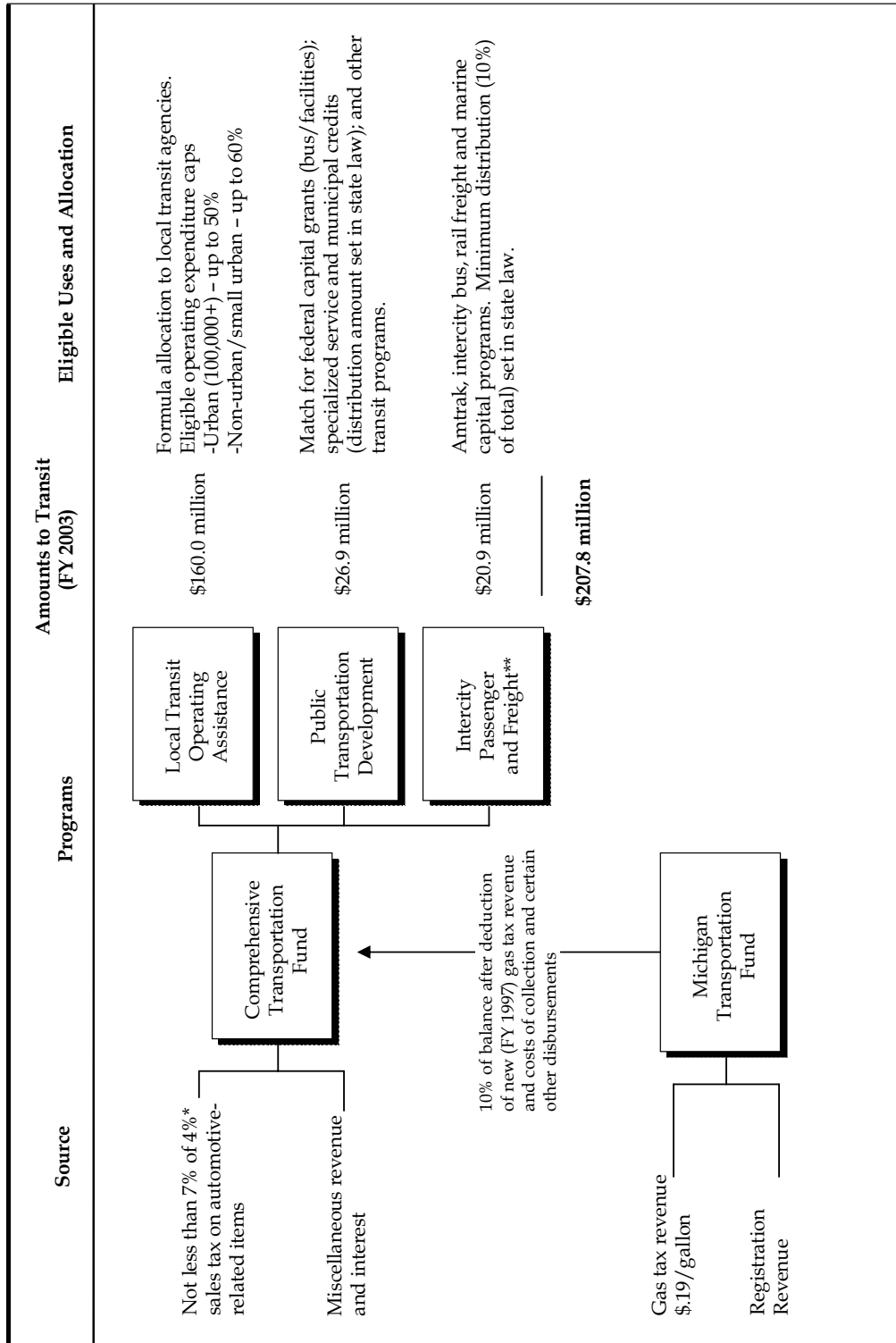
RTA = Regional Transit Authorities
 MBTA = Massachusetts Bay Transportation Authority

■ **Massachusetts State Transit Funding: Major Features**

- Total state transit funding for FY 2003 was \$1,165,492,492 or \$181.16 per capita.
- Transit funding comes from a variety of sources including the general fund, highway fund, local assessments, sales tax revenue, MBTA Revenue Bonds, and the State Infrastructure Fund.

(Massachusetts fiscal year is from July to June.)

Michigan State Transit Funding: Program Structure and Characteristics



* Changes in FY 2004 and 2005

** Certain payments (e.g., loan repayments, fees, etc.) are deposited in the bus equipment fund, rail freight fund, or rail infrastructure loan fund for use in those programs.

■ Michigan State Transit Funding: Major Features

- Total state transit funding rose from \$205.68 million in FY 2002 to \$207.8 million in FY 2003 or about \$20.60 per capita.
- The state provides some level of public transportation in all 83 counties.
- A total of 52 of 86 public transit agencies are locally supported by property tax millages, with the remainder supported by local general funds.
- The 132 specialized service agencies transported 1.52 million passengers statewide in FY 2003.
- The Rideshare Program supports 12 local Rideshare Offices that organize, demonstrate, and promote ridesharing activities. In addition, the MichiVan Program provides fleet management to 112 commuter vanpool groups.
- The marine program supports three ferry services in the Eastern Upper Peninsula, which carried 558,756 vehicles and 897,598 passengers. Funding for capital improvements was provided to the Beaver Island Transportation Authority, which carried 7,539 vehicles, 39,601 passengers, and 7,238 tons of freight.
- The state supports five intercity routes, which carried an estimated 83,500 passengers in FY 2003.
- About 190 regular route and charter carriers are licensed in Michigan and 3,455 buses are registered to operate.

(Michigan's fiscal year is from October to September.)

Minnesota State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
General Fund	Local Transit Operating and Capital Assistance	\$17.3 million	Fixed local share funding formula for eligible operating expenditures. Local match of federal funds for capital expenditures.
	Property Tax Replacement Aid		
Motor Vehicle Sales Tax*	Property Tax Replacement Aid	\$122.6 million	Replaces property taxes formerly used by transit systems for local operating assistance. Direct allocation of 20.5% of MVST for operations.
	Local Transit Operating Assistance	\$62.8 million	Direct allocation from state general fund for transit operations.
	Busways	\$20.0 million	Federal funds match for construction of the Minneapolis Northwest Busway.
		\$229.2 million	

* The Motor Vehicle Sales Tax is the funding source for the Property Tax Replacement Aid. The 2001 Minnesota Legislature created transit funds to provide Property Tax Replacement Aid Payments for public transit systems in Minnesota by dedicating 20.5% of annual MVST collections for Twin Cities Metropolitan Area transit operations and 1.25% for Greater Minnesota Operations. Use of property taxes for transit operating costs ended December 31, 2001. The first payments from MVST were made in July 2002 (FY2003). Note: MVST=Motor Vehicle Sales Tax.

■ **Minnesota State Transit Funding: Major Features**

- Total state transit funding rose from \$208.2 million in FY 2000 to \$229.2 million in FY 2003. This translates to a per capita cost of about \$45.
- The motor vehicle sales tax replaced the property tax as a source of transit funding in FY 2002. Therefore, FY 2002 was not considered representative of current Minnesota transit funding and is not shown.
- MnDOT receives and distributes funding for public transit systems outside the seven-county metropolitan area. The Metropolitan Council MPO receives and distributes funding for the Minneapolis–St. Paul metro area.
- The Metropolitan Council also passes through property tax replacement aid to 13 communities that have opted out of the regional transit system. On the previous page, these pass-throughs are included in the Metropolitan Council funds.

(Minnesota's fiscal year is from July to June.)

Mississippi State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
<p>No state funding provided for transit in FY 2003.</p>			

■ **Mississippi State Transit Funding: Major Features**

- The state does not provide funding for transit.

Missouri State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
General Revenue	Transit Operating Assistance	\$3.8 million	Operating assistance for urban and rural public transit providers to partially offset operating deficits.
	Missouri Elderly and Handicapped and Transportation Assistance Program (MEHTAP)	\$2.8 million	Offsets operating deficits of not-for-profit agencies that provide mobility trips to seniors and people with disabilities. Allocated based on a formula that takes into account the proposed number and type of trips.
		\$6.6 million	

■ **Missouri State Transit Funding: Major Features**

- Total state transit funding was \$6.6 million in FY 2003, or about \$1.16 per capita.
- Only general revenue funds are used for transit, as the Missouri constitution prohibits state gas tax money from being used for anything other than roads.
- Six public urban transit providers and 31 rural transit providers receive state transit operating assistance funds; 190 nonprofit organizations receive Missouri Elderly and Handicapped Transportation Assistance Program (MEHTAP) funds.
- In FY 2003, transit operating assistance was reduced from FY 2002 levels to \$3.8 million, of which \$0.85 million was returned to the state treasury to help balance the state budget. For FY 2003, state operating assistance funded about 1 percent of the operations budget of large urban systems, 5 percent for small urban systems, and 10 percent of rural systems.
- In FY 2003, MEHTAP funding declined slightly to \$2.8 million. For FY 2003, MEHTAP offset 12 percent of the total cost of trips provided.

(Missouri's fiscal year is from July to June.)

Montana State Transit Funding: Program Structure and Characteristics

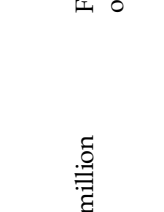
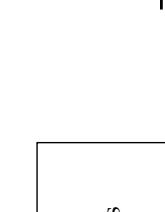
Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
State Gas Tax	<div style="border: 1px solid black; padding: 5px; text-align: center;"> Transit Capital and Operations </div>	\$75,000	Formula allocation to six general public provider transit districts for capital and operations.
Motor Vehicle License Fee	<div style="border: 1px solid black; padding: 5px; text-align: center;"> TransADE Elderly and Disabled Services </div>	\$315,000	Discretionary, competitive allocation to agencies providing service to elderly and disabled persons, based on need and degree of service coordination.
		<hr style="width: 50%; margin: 0 auto;"/> \$390,000	

■ **Montana State Transit Funding: Major Features**

- Total state transit funding was \$390,000 in FY 2003, or about \$0.43 per capita.
- Although the TransADE funding amount is determined annually, the gas tax contribution to transit is fixed.

(Montana's fiscal year is from July to June.)

Nebraska State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Highway Trust Fund (\$1.0 million)	 <p>Transit Operations</p>	\$1.5 million	Formula allocation for operating budget expenditures.
General Fund (\$0.6 million)	 <p>Intercity Bus</p>	\$0.1 million <hr/> \$1.6 million	Discretionary allocation for capital and operating expenditures. Includes vehicle purchase, administration, marketing, and operating costs.

■ **Nebraska State Transit Funding: Major Features**

- Total state transit funding was \$1.6 million for FY 2003, or \$0.92 per capita.
- State operating support is provided on a deficit basis, limited to a cap determined by a formula.
- Rural transit systems are reimbursed first, with any remaining state funds distributed to the urban transit systems by formula.
- The Nebraska Department of Roads, through the Rail and Public Transportation Division, administers the Rural Transit Assistance Program (RTAP) on a statewide basis.

(Nebraska's fiscal year is from July to June.)

Nevada State Transit Funding: Program Structure and Characteristics		
Source	Programs	Amounts to Transit (FY 2003) Eligible Uses and Allocation
Interest on NDOT Trust Fund	5310 Vehicle Funding for Specialized Transportation	\$100,000 Matches 10% of the required 20% match for federal funds for purchases of vehicles for providing transit to the elderly and disabled.
	5311 Non-Urbanized Area Capital	\$125,000 Matches one-half of the non-federal share or 5311 capital projects.
Interest on NDOT Trust Fund	5309 Vehicle Acquisition	\$100,000 Estimate for vehicle acquisition.
	\$325,000	

■ Nevada State Transit Funding: Major Features

- Total state transit funding in FY 2003 was \$325,000, or approximately \$0.15 per capita. These funds do not include NDOT staff administration.
- Nevada also receives federal monies for the Rural Transit Assistance Program (RTAP).
- Nevada was awarded a 5309 grant of \$872,000 for Urbanized Area Capital Purchases Program. When available, these funds will be distributed through the state prioritization process.

(Nevada's fiscal year is from July to June.)

New Hampshire State Transit Funding: Program Structure and Characteristics

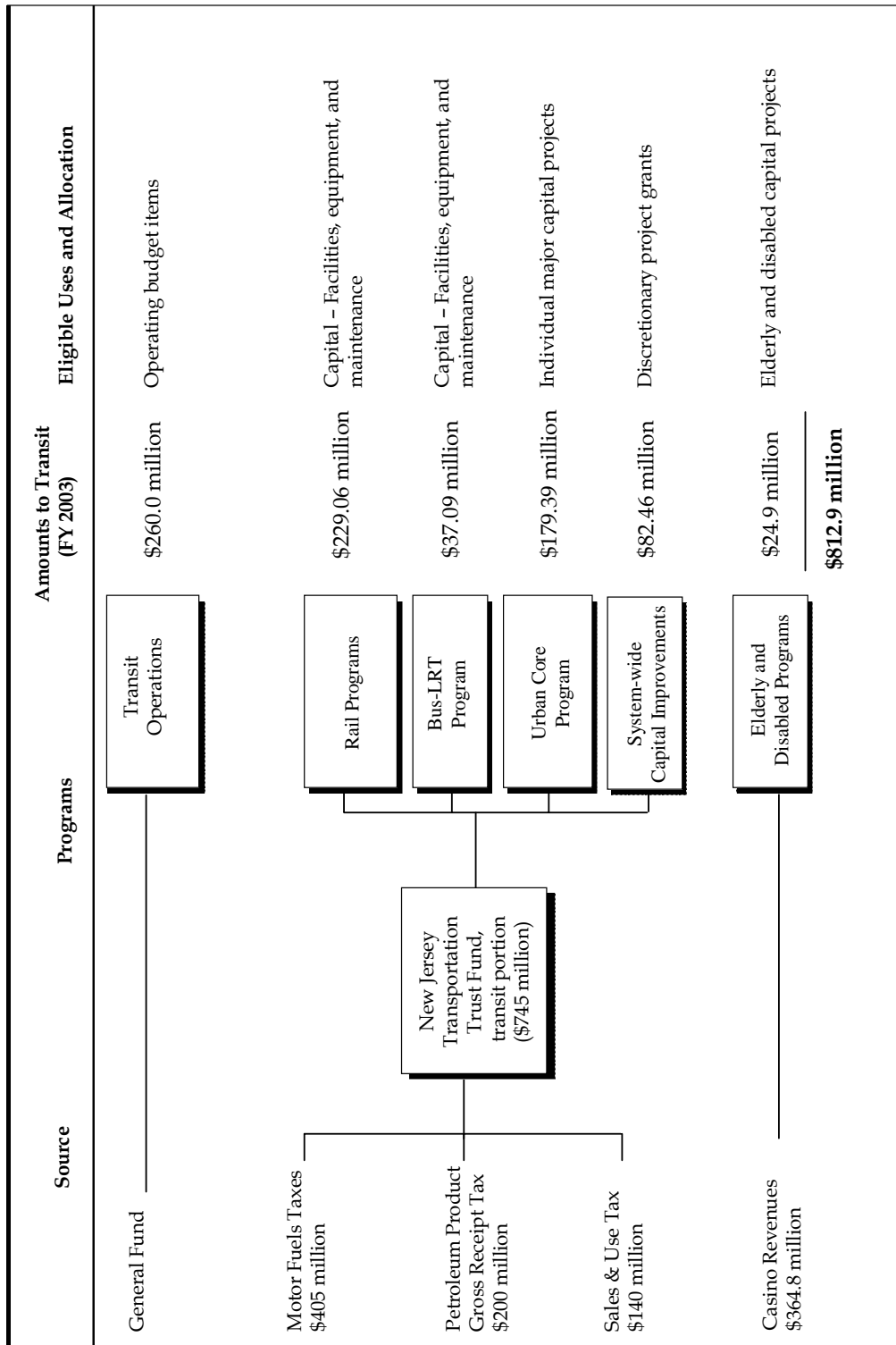
Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
<p>General Funds (\$3.3 million appropriated to DOT)</p>	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Operating Assistance</div>	\$100,000	<p>Operating assistance match for local transit systems under Section 5307 and 5311.</p>
<p>State Highway Funds (\$223.5 million total, of which DOT receives \$171.5 million)</p>	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Commuter Rail Match</div>	\$100,000	<p>Match for Section 5309 rail funds.</p>
		\$200,000	

■ **New Hampshire State Transit Funding: Major Features**

- Total state transit funding in FY 2003 was \$200,000, or approximately \$0.16 per capita.
- These funds consisted of general funds and state highway funds.

(New Hampshire's fiscal year is from July to June.)

New Jersey State Transit Funding: Program Structure and Characteristics



■ **New Jersey State Transit Funding: Major Features**

- Total state transit funding declined from \$852 million in FY 2002 to \$812.9 million in 2003 for a per capita funding of \$94.
- Public transit services throughout New Jersey are provided by a single state agency, the New Jersey Transit Corporation (NJ Transit).
- NJ Transit elderly and disabled programs are funded from a separate casino revenue fund.
- The New Jersey Transportation Trust Fund supports both transit and highway programs. The portion of the trust fund shown here reflects expenditures for transit purposes.

(New Jersey's fiscal year is July to June.)

New Mexico State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
<p>No state funding provided for transit in FY 2003.</p>			

■ **New Mexico State Transit Funding: Major Features**

- New Mexico currently provides no state transit funding. All federal matches are made with local dollars.
- The 2003 legislative session passed a regional transportation district (RTD) bill with taxing authority. This bill provides for dedicated state transit funds in FY 2004.

(New Mexico's fiscal year is July to June.)

New York State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
General Funds	Section 18-b STOA Operating Assistance Program	\$58.0 million	Statewide Mass Transportation Operating Assistance (STOA) provided under Section 18-b requires 100% local match.
	Additional Upstate Operating Assistance	\$58.6 million	No local match required for general funds provided in addition to Section 18-b requirement.
	MTA Student Reduced Fare Program	\$45.0 million	Special funds to support MTA Student Reduced Fare Program. 100% match provided by New York City
Portion of Corporate Franchise Tax Surcharge – MITCD ¹ only	Mass Transportation Operating Assistance Fund (MTOA)	\$161.1 million	STOA provided under Section 18-b requires 100% local match.
	Metropolitan Mass Transportation Operating Assistance Fund Downstate Account	\$836.3 million	Dedicated, non-match assistance for transit systems within the 12-county metropolitan transportation district.
	Public Transportation Systems Operating Assistance Fund Upstate Account	\$4.9 million	STOA provided under Section 18-b requires 100% local match.
1/4 % Sales Tax – MITCD ¹ only	Dedicated Mass Transportation Trust Fund (DMTTF)	\$489.8 million	Dedicated MTA share of transit allocation (34%) of state trust fund. Used for operating, capital and debt service.
Long Lines Tax – MITCD ¹ only (transportation/transmission companies)	Dedicated Mass Transportation Trust Fund (DMTTF)	\$29.8 million	Dedicated share of transit allocation of transit fund for non-MTA systems. Used for state share of federally funded capital projects (10% for non-MTA systems (\$15.8 million). Local sponsors match the remaining non-federal share (10%). The balance (\$14 million) funds a 100% state-supported non-MTA capital program to address needs that exceed available federal funding.
Portion of the Base Petroleum Business Tax (55% MMTOA ² / 45% PTOA ³)	Additional Non-MTA Operating Assistance	\$19.3 million	Portion of trust fund redirected to address operating assistance needs.
100% Supplemental Petroleum Business Tax		\$1763.2 million	

¹ MITCD: Metropolitan Transportation Commuter District
² MMTOA: Metropolitan Mass Transportation Operating Assistance
³ PTOA: Public Transportation Operating Assistance

■ New York State Transit Funding: Major Features

