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.

Question about the report should be directed to one of the following individuals:

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

Sincerely,

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Executive Director
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President
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Rick Kowalewski
Deputy Director
BTS

Survey of State Funding for Public Transportation

2003

Prepared by the Department of Transportation
Bureau of Transportation Statistics

Table of Contents

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
No state funding provided for transit in FY 2003.			

■ 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	Capital Assistance	$6.5 million	ADOT distributes STP flexible funds to rural and urban transit providers. Funds may be used for capital purposes, subject to approval by ADOT.
State General Fund	Planning	$.068 million	Can be used by transit providers to match federal 5313 planning funds.
Local Transportation Assistance Fund II (LTAF II)	Operating, Capital Planning	$7.2 million	Any transit purpose that includes public transportation, special needs, dial-a-ride, etc. Distributed only to cities, towns and counties.
		$13.768 million	

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)	Urban	$1.1 million	Capital match and operating assistance for urban systems.
	Rural	$0.8 million	Capital match and operating assistance for rural systems.
	5310 Capital Grants	$0.9 million	Capital grants for 5310 elderly and disabled programs.
		$2.8 million	

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
¼ cent of 7.25% retail sales tax	Local Transportation Fund	$1,100 million	Collected by the state; returned to county of origin. Apportioned by population within counties. Supports local transit—capital or operations.
	State Transit Assistance Fund	$98.0 million	Allocated to operators by regional planning agencies based on population, prior year fares and local revenues. Supports local transit—capital or operations.
Public Transportation Account (Gasoline & Diesel Sales Tax)		$2.8 million	Allocated to support operation of water-borne ferry services in the Bay Area.
Traffic Congestion Relief Fund	Traffic Congestion Relief Program	$57.5 million	Eligible capital projects identified in the Governor's FY 2000-01 budget to ease congestion and enhance connectivity between modes.
State Highway Account (Fuel Users Tax and Weight Fees)	State Transportation Improvement Program	$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.
Clean Air and Transportation Improvement Act (Bond Funds)	Proposition 116 Program	$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

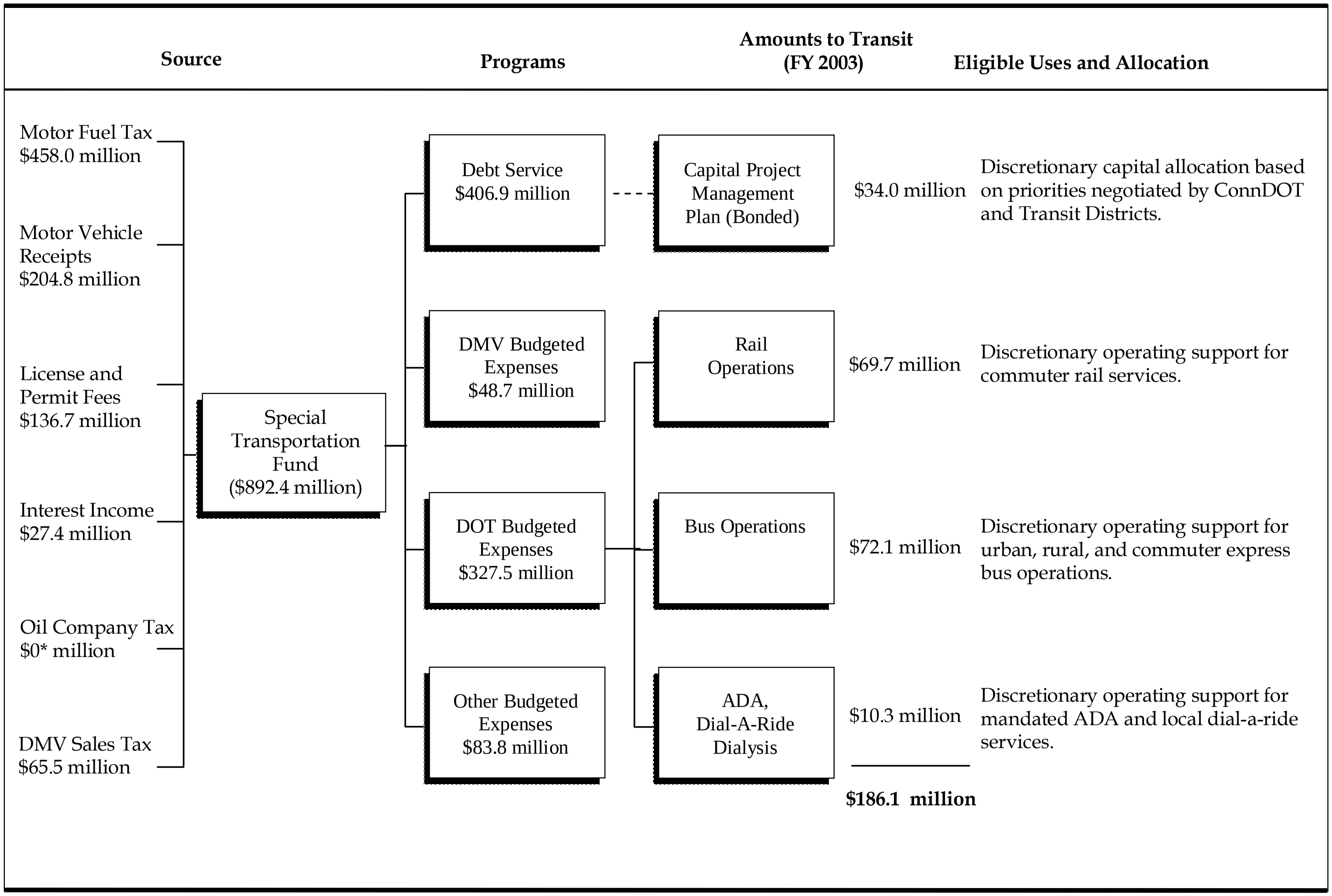
Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
No state funding provided for transit in FY 2003.			

■ 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.

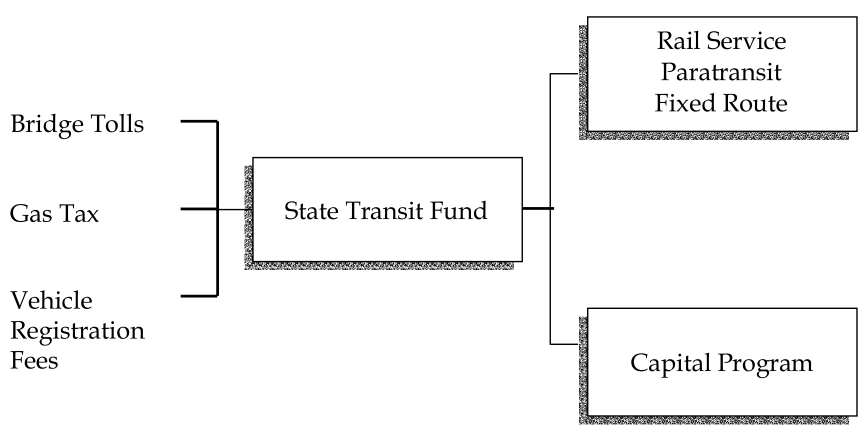
Connecticut State Transit Funding: Major Features

- 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**



Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Rail Service, Paratransit, Fixed Route	$44.8 million	For operations expenditures on state-wide public transit system. Approved by state legislature.
Capital Program	$29.8 million	Includes •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 Metrobus, $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

Source

- Fuel Taxes $1,518 million
- License Fees $451 million
- Initial Registration Fees $100 million
- Title Fees $101 million
- Rental Car Surcharge $102 million

→ Florida Transportation Trust Fund

15% minimum for public transportation*

Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
State Transit Block Grant (Transportation Disadvantaged Trust Fund (15%))	$65.6 million	Formula allocation to FTA Section 5307 recipients. Capital: Up to ½ non-federal share. Operations: Up to ½ eligible operating expenses, not to exceed local contribution. Includes 15% to counties for social service coordination through Commission for Transportation Disadvantaged.
Public Transit Service Development Program	$4.9 million	Discretionary project grants for 2-3 year demonstration projects (local and state) for operations, maintenance, marketing, and technology.
Transit Corridor Program	$7.2 million	Discretionary project grants for capital or operating in state-designated corridors.
Commuter Assistance Program	$4.3 million	Discretionary project grants for TMA and ride-sharing support for up to ½ TMA operating costs.
Park and Ride Program	$1.1 million	Discretionary project grants.
Section 5311 Section 5310 Match	$0.8 million	Discretionary project grants for up to ½ non-federal share of capital.
Urban Transit Capital	$9.6 million	Discretionary project grants for up to ½ non-federal share of capital. $1.4 million is set aside for rural transit capital needs, administered by the Commission for the Transportation Disadvantaged at up to 90% state share. $1.0 million is reserved for clean fuel technology capital projects.
	$93.5 million	

* 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
Hawaii has no continuous source of state funding for transit.			

■ 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	Non-urbanized and Seniors and Persons with Disabilities	$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
General Revenue Funds	Operating Assistance Program	$398 million	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.
General Revenue Funds State Bonds ($96 million Strategic Capital Improvement Program Bonds ($260 million) General Revenue ($0 dollars)	Capital Assistance Program	$356 million	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.
		$754 million	

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 statewide 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
Sales and Use Tax (.775% to transit)	Public Mass Transportation Fund (.635%)	$28.3 million	Operating and capital assistance distributed by formula based on total boardings, total vehicle miles of travel, and amount of local-derived income.
	Commuter Rail Service Fund (.14%)	$6.5 million	Dedicated funding for rail service between South Bend and Chicago. Used for maintenance, improvements, and operation of commuter rail service.
		$34.8 million	

■ 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
4% of Use Tax on Sale of Motor Vehicles	State Transit Assistance ($9.9 million) → Formula	$9.2 million (based on receipts minus diversions)	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.
	State Transit Assistance ($9.9 million) → Special Projects	$0.3 million (fixed)	Statewide projects for marketing, training, advanced technologies, etc.
		$9.5 million	

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

- General Fund (32.6%)
- Motor Vehicle Excise Taxes (35.9%)
- Motor Vehicle Fees (17.0%)
- Corporate Income Taxes (4.1%)
- Bond Proceeds (10.3%)

Fund	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Transportation Trust Fund	Large Urban Area Program (Baltimore Area)	$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 Program (Washington/Maryland Suburban Area	$281.3 million	Formula-based Maryland share of Washington Metropolitan Area Transit Authority (WMATA) needs ($152.4 million capital, $128.9 million operating).
Statewide Grant Program	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	

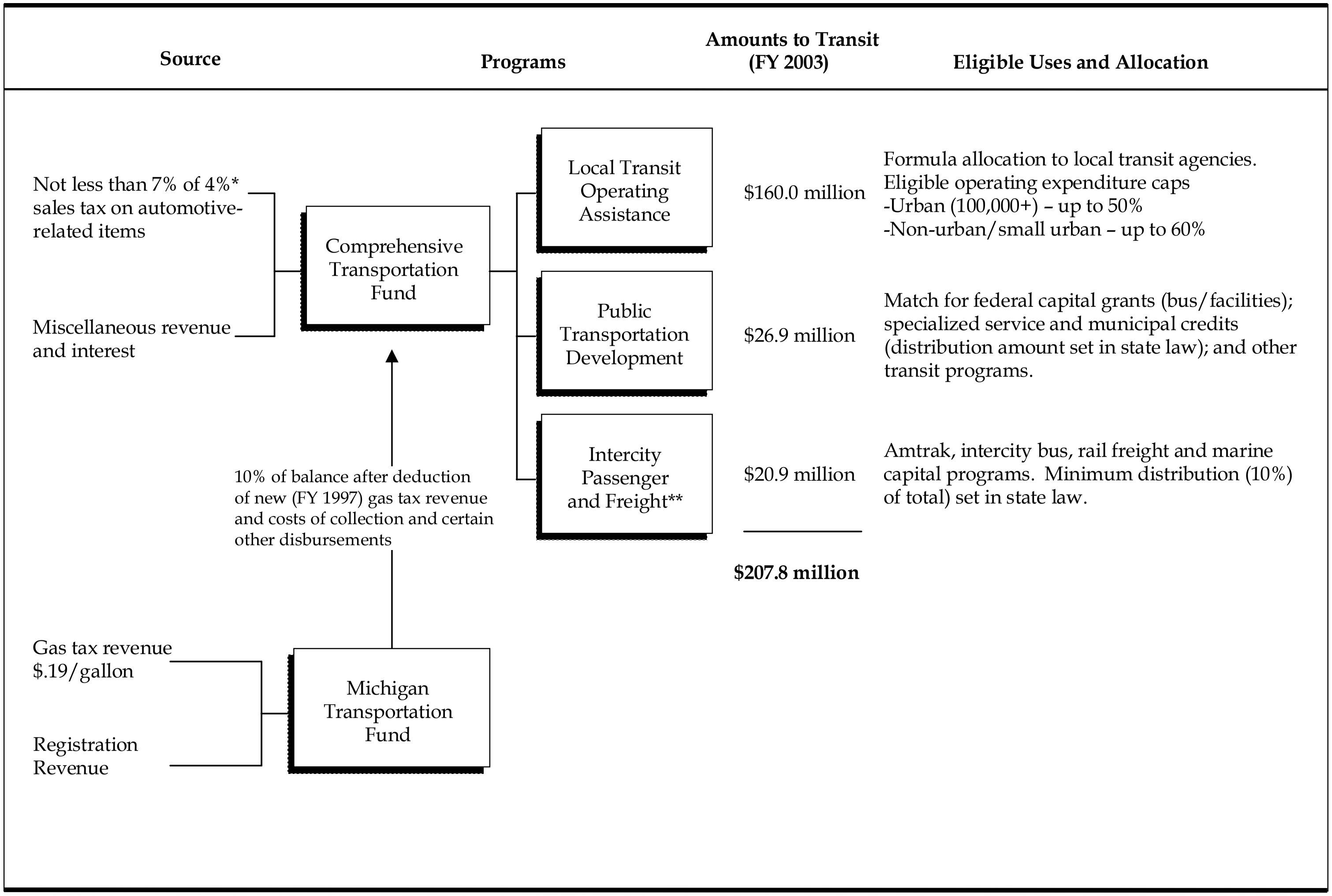
RTA = Regional Transit Authorities
MBTA = Massachusetts Bay Transportation Authority

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

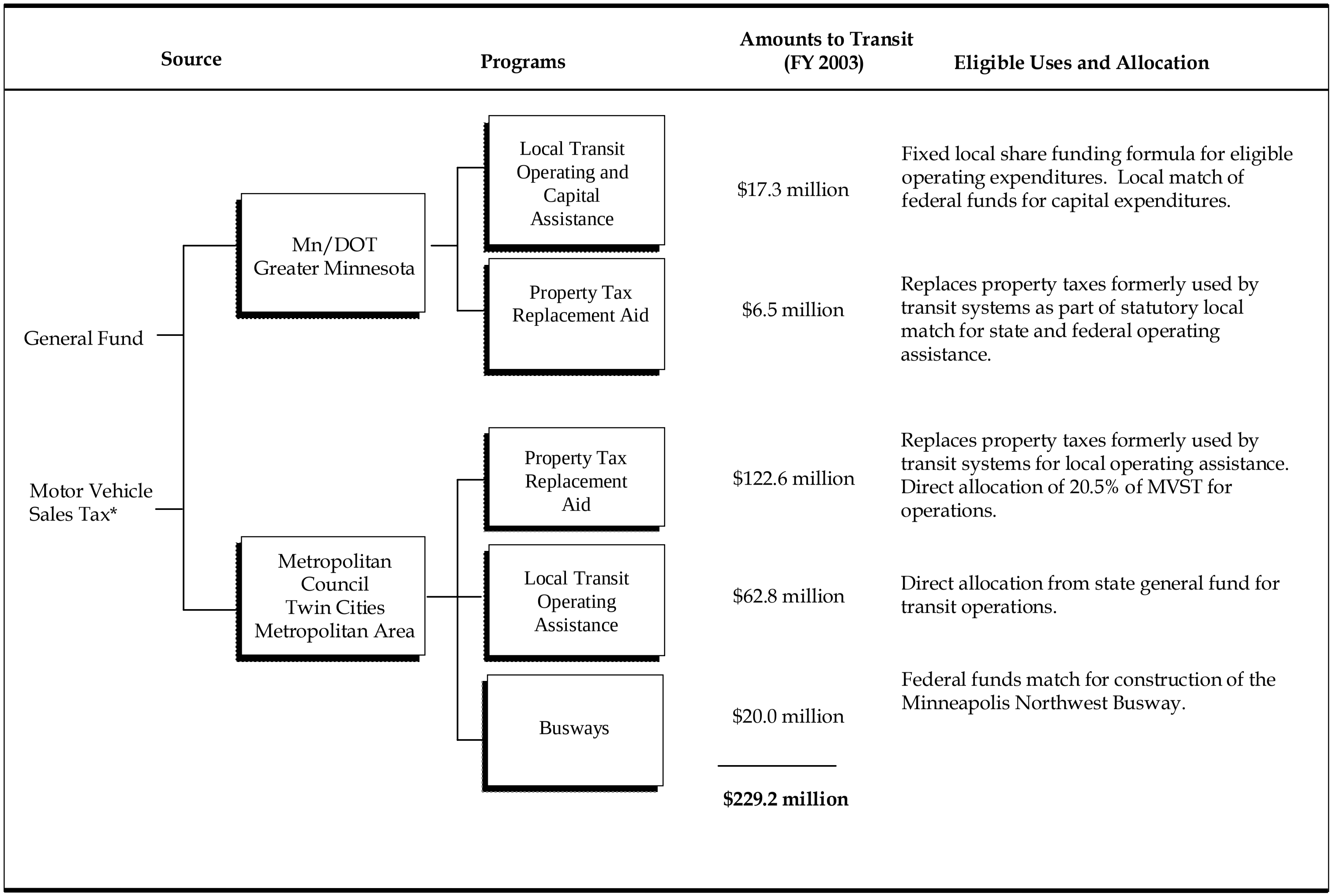
** Certain payments (e.g., loan repayments, fees, etc.) are deposited in the bus equipment fund, rail freight fund, or rail infrastructure loan fund for use in those programs.

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



* 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

No state funding provided for transit in FY 2003.

■ 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 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	Transit Capital and Operations	$75,000	Formula allocation to six general public provider transit districts for capital and operations.
Motor Vehicle License Fee	TransADE Elderly and Disabled Services	$315,000	Discretionary, competitive allocation to agencies providing service to elderly and disabled persons, based on need and degree of service coordination.
		$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)	Transit Operations	$1.5 million	Formula allocation for operating budget expenditures.
General Fund ($0.6 million)	Intercity Bus	$0.1 million	Discretionary allocation for capital and operating expenditures. Includes vehicle purchase, administration, marketing, and operating costs.
		$1.6 million	

■ 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

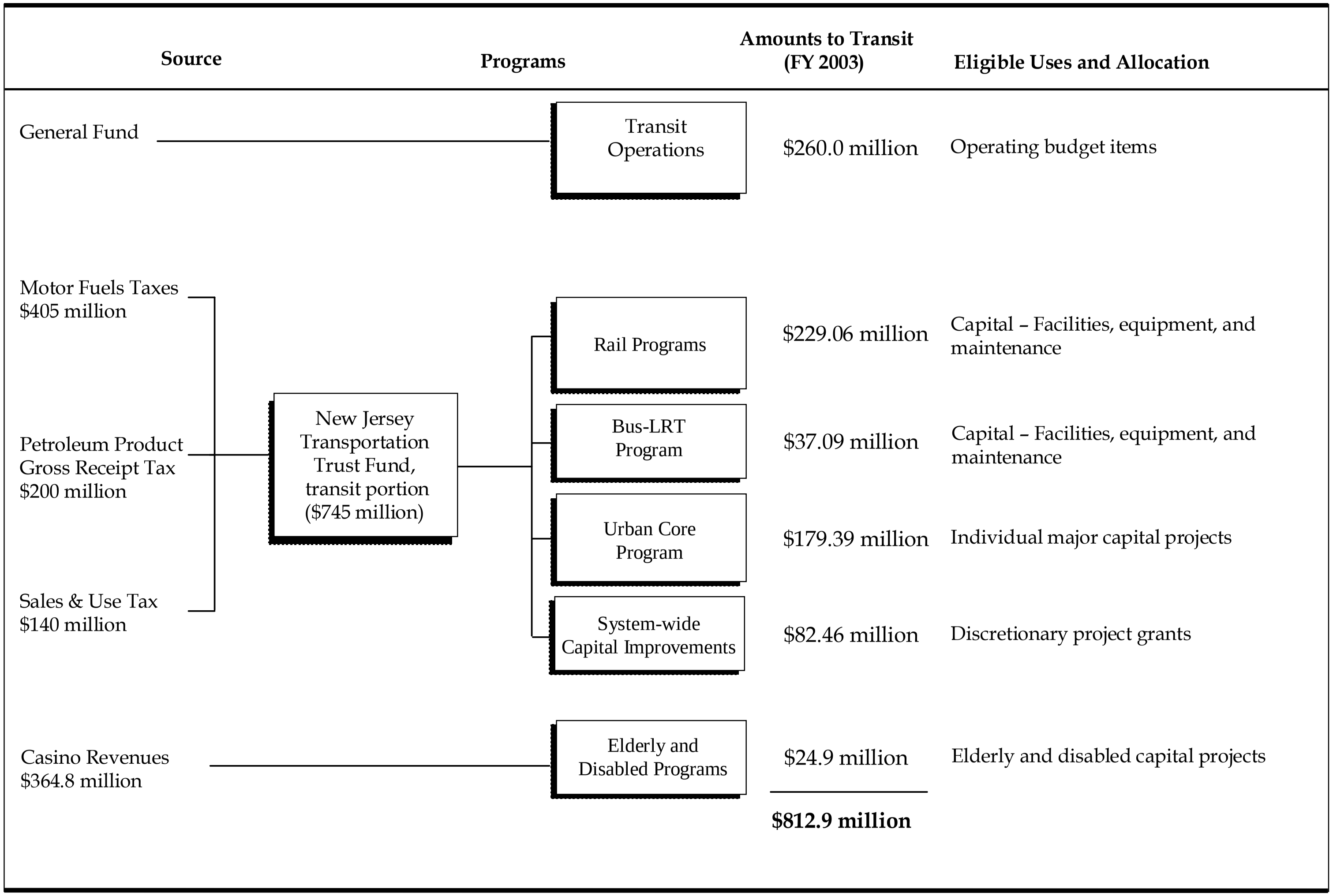
Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
General Funds ($3.3 million appropriated to DOT)	Operating Assistance	$100,000	Operating assistance match for local transit systems under Section 5307 and 5311.
State Highway Funds ($223.5 million total, of which DOT receives $171.5 million)	Commuter Rail Match	$100,000	Match for Section 5309 rail funds.
		$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
No state funding provided for transit in FY 2003.			

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 Fair 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 – MTCD[1] only; 1/4 % Sales Tax – MTCD[1] only; Long Lines Tax – MTCD[1] only (transportation/transmission companies); Portion of the Base Petroleum Business Tax (55% MMTOA[2] / 45% PTOA[3]	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.
		$4.9 million	STOA provided under Section 18-b requires 100% local match.
	Public Transportations Systems Operating Assistance Fund Upstate Account	$60.4 million	Dedicated, non-match assistance for transit systems outside the 12-county metropolitan transportation district.
Portion of the Base Petroleum Business Tax; 100% Supplemental Petroleum Business Tax	Dedicated Mass Transportation Trust Fund (DMTTF)		
	MTA Capital and Operating Assistance	$489.8 million	Dedicated MTA share of transit allocation (34%) of state trust fund. Used for operating, capital and debt service.
	Non-MTA Capital Programs	$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.
	Additional Non MTA Operating Assistance	$19.3 million	Portion of trust fund redirected to address operating assistance needs.
		$1763.2 million	

[1] MTCD: Metropolitan Transportation Commuter District
[2] MMTOA: Metropolitan Mass Transportation Operating Assistance
[3] PTOA: Public Transportation Operating Assistance

New York State Transit Funding: Major Features

- Maintains record level funding program at $1763.2 million in FY 2003; or approximately $92 per capita.

- Operating assistance is administered through the Statewide Mass Transportation Operating Assistance (STOA) program. The program is funded through the general fund, the Mass Transportation Operating Assistance (MTOA) fund, and the Dedicated Mass Transportation Trust fund.

- MTOA is the dedicated tax portion of the STOA.

- The Metropolitan Transportation Authority (MTA), Staten Island Ferry, New York City DOT, the four upstate regional transportation authorities, and Westchester, Nassau, and Suffolk Counties receive STOA funding through a specific line item in the state budget. The remaining bus systems receive STOA through an incentive-based passenger and vehicle mile formula.

- The state provides 50 percent of the nonfederal share of the Transportation Equity Act for the 21st Century (TEA-21) federally funded transit capital projects for systems other than the MTA (not to exceed 10 percent of the project cost). As part of a multiyear transportation program for systems other than the MTA, the state also provides $14 million annually in 100 percent state funds to address priority capital needs that exceed available federal resources. MTA capital requirements are addressed from the state contribution to the MTA multiyear capital program.

(New York's fiscal year is from April to March.)

North Carolina State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
At least $.50 multiplied by the total number of registered vehicles in the state is allocated to transit from the Highway Fund	Urban and Regional Maintenance Assistance	$21.05 million	Formula allocation to fixed route systems for operations only. State share cannot exceed local.
	Urban Bus and Facilities	$1.25 million	Funding for ½ local match for urban and regional FTA capital grants.
	Statewide Transit Development Program	$4.6 million	Discretionary project grants to match FTA funding apportionments, local TDM programs and demonstration projects.
	Elderly and Disabled Program	$5.5 million	Formula allocation to 100 counties. Operating assistance only.
	Rural Capital Program	$8.75 million	Capital grants to non-urbanized area transportation systems.
	Rural Facility Program	$3.0 million	Project grants for facilities in non-urbanized areas.
	Urban and Rural Technology Program	$1.5 million	Project grants to urban and rural systems to improve customer convenience and system effectiveness.
	Rural Intercity Service Program	$0.4 million	Discretionary planning for regional/intercity services for contract operations through state and/or local jurisdictions.
	Operating Assistance for Rural General Public Service	$4.1 million	Formula allocation to rural agencies serving general public. Operating assistance only.
Balance from State Highway Trust Fund	Regional New Starts	$37.4 million	Funding for new start projects.
	Rural Transportation Program Administration	$2.4 million	Funding for rural transportation system administrative costs (urban area counties.)
	Work First Program	$1.75 million	Formula allocation to all 100 counties to assist with Work First and employment transportation needs.
		$91.7 million	

North Carolina State Transit Funding: Major Features

- Total state transit funding in FY 2003 was $91.7 million, or $10.91 per capita.
- State support of New Starts projects is evidenced by the passage of legislation that will provide up to 25% of the approved project costs, subject to appropriations by the General Assembly.
- An additional $125 million in public transportation funding for Fiscal Years 2002 through 2004 was made available via the State Highway Trust Fund. The majority of these funds will be used to support New Start project capital; however, funding for non-urbanized area transportation system vehicle and facility needs, and operating costs was also substantially increased.
- A statewide rural vanpool program, funded with Job Access and Reverse Commute grant funds and state funds, was initiated in response to the growing need for employment transportation across the state.

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

North Dakota State Transit Funding: Program Structure and Characteristics

Source	Programs		Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Statewide Vehicle Registration Fee ($2 per vehicle per year)	North Dakota Public Transportation Fund	State Transit Operating, Capital, and Planning Assistance	$1.62 million	State statutory formula distribution of funds to each county for public transportation operators, based on county population and base funding amount.

North Dakota State Transit Funding: Major Features

- Total state transit funding in FY 2003 was $1.62 million, or $2.56 per capita.
- State funding covers about 17.4 percent of all federal and state transit funding in North Dakota for 2003.
- State aid for public transit funds in North Dakota are not restricted and can be used by transit project recipients for all transit costs, including operating costs, capital costs, transit planning costs, and the costs of matching federal transit funds.

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

Ohio State Transit Funding: Program Structure and Characteristics

Source	Programs		Amounts to Transit (FY 2003)	Eligible Uses and Allocation
General Fund Biennial Legislative Appropriations (two 1-year appropriations)	Ohio Public Transportation Grant Program ($16.1 million)	FTA Section 5307 Recipients	$11.0 million	Formula allocation for federal match for urbanized areas. Provides up to 50% of non-federal operating expenses for areas with populations of less than 200,000 only, up to 80% of project cost at grantee request for capital, and 10% of project cost for planning.
		FTA Section 5311 Recipients	$5.1 million	Formula grant allocations. Provides up to 30% of operating expenses and 10% of project cost for capital expenses.
	Human Service Coordination Program		$1.3 million	Discretionary project grants available to 40 counties/areas with no current service. For staff, administration, operations, and fare reduction.
	Elderly and Disabled Transit Assistance Program		$3.3 million	Reimbursement to systems where elderly and disabled fares are not more than half the fare charged to the general public. Reimbursement equals 70% of the revenues lost by charging the reduced fare.
		Total	**$20.7 million**	
General Fund Biennial Legislative Appropriations (two 1-year appropriations)	Rail Program		$4.2 million	Development of rail projects – passenger, commuter, and freight.

■ Ohio State Transit Funding: Major Features

- Total state transit funding decreased from $24.4 million in FY 2002 (excluding the rail program) to $20.7 million in FY 2003 (excluding the rail program). Per capita state investment for FY 2003 is $1.81.

- State funding supports capital and planning in all areas; it supports operating assistance only in areas with populations of less than 200,000.

- ODOT places a strong emphasis on oversight and technical support.

- There is no longer a state discretionary capital program using state funds. A limited discretionary program is being continued using congestion mitigation air quality (CMAQ) transfer funds.

- Formula allocation for 5311 recipients incorporates performance factors, including ridership (50 percent), revenue miles of service (25 percent), and level of local support (25 percent). Compliance with requirements and timeliness of submissions are also evaluated. For 5307 recipients, it is 20% ridership, 20% revenue miles, 10% fare box revenue, 20% cost per hour, 20% passengers per mile, 10% fare box recovery.

- A committee appointed by the governor and the Ohio General Assembly—the Transportation Review Advisory Committee—uses motor fuel taxes (highway purpose projects) and CMAQ funds (transit projects) for major new transportation projects, including transit projects.

- The corporate franchise tax paid by the railroads was discontinued due to mergers and abandonments yielding reduced revenue. The rail development projects previously covered by the corporate franchise tax are now funded by the General Fund.

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

Oklahoma State Transit Funding: Program Structure and Characteristics

Source	Programs		Amounts to Transit (FY 2003)	Eligible Uses and Allocation
State Fuel Tax Dedicated Funds ($850,000)	Public Transit Revolving Fund	New Starts	$137,500	Urban and rural new starts, including expansion of service mode by existing operators.
State General Funds (discretionary) ($1.9 million)		Metro Transit	$522,500	For all purposes.
		Tulsa Transit	$522,500	For all purposes.
		All other public transportation providers	$1,567,500	For all purposes. Allocated based on vehicle revenue miles for the previous fiscal year.
			$2.75 million	

■ Oklahoma State Transit Funding: Major Features

- Total state transit funding in FY 2003 was $2.75 million, or $.78 per capita. All state transit funds were appropriated to the Public Transit Revolving Fund (PTRF).
- Funding sources included $850,000 from the state fuel tax that is dedicated to the PTRF every year and $1.9 million in funds appropriated by the legislature.
- Five percent of funds appropriated to the PTRF are set aside for new starts.
- By state statute, Oklahoma County and Tulsa County transit services receive 20 percent each from the PTRF annually.
- The balance of money appropriated to the PTRF is distributed to all other public transit providers using a pro rata share of the vehicle revenue miles.

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

Oregon State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Cigarette Tax	Special Transportation Fund	$5.2 million	Distributed through ODOT Public Transit Division to counties and districts for senior and disabled transportation—75% of fund allocation based on population, 25% based on a competitive grant process.
Non-highway Use Fuel Tax		$4.2 million	
General Fund		$.01 million	
General Fund	TriMet Urban Light Rail Program	$5.1 million	Discretionary allocation of lottery profits for debt service and bond repayment for Portland West Side Light Rail.
Non-highway Use Fuel Tax	Oregon High Speed Rail Program	$5.0 million	Discretionary allocation for operation, equipment, and track improvements for Oregon High Speed Rail Program through ODOT Rail Division.
General Fund	Commuter Rail Program	$5.1 million	Legislative allocation for developing a suburban commuter link with high tech industrial areas external to the Portland Metro area. For track improvement and trains. Project has $35 million scheduled of state funds through ODOT Rail Division.
In Lieu of Payroll Tax	Transit District Assistance	$6.3 million	To transit and transportation districts for transit operations and capital expenditures. Allocated to those eligible as a percent (0.6%) of the state wages paid locally. They cannot receive more than their own taxing resources (i.e., a 50% match). Distributed by Department of Administrative Services rather than ODOT.
		$30.91 million	

Oregon State Transit Funding: Major Features

- Total state transit funding increased from $23.96 million in FY 2002 to $30.91 million in FY 2003. Per capita investment for FY 2003 is $8.68.
- Most state funding is allocated to "special" programs, including elderly and disabled and new fixed-guideway projects.
- State general funds have been replaced by "other fund" revenues as the predominant source of funding for state transit programs.
- Of the $1.28 for 20-pack and $1.68 for 25 pack cigarette tax, 89.65% is allocated to the state general fund. Of that amount, 3.45% per pack is allocated to the Special Transportation Fund for senior and disabled transportation.
- The in-lieu-of-payroll tax support applies to mass transit districts and transportation districts. Amounts provided through this program may not exceed the amount the district receives from its own taxes.

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

Pennsylvania State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
General Fund	Operating Assistance	$270.8 million	Allocation is by legislative formula: $268.1 million for Urban; and $2.7 million for Rural. Eligible uses include all standard categories of operating assistance.
General Fund; Dedicated funds: *Public Utility*; *Realty Tax (7.6 mills)*; *Auto Rental Tax ($2/day)*; *Vehicle Lease Tax (3% of price)*; *Tire Fee ($1/tire)*; *Annual Transfer of .52% Sales Tax – Sales*; *Proceeds equivalent to 6% Sales Tax on Periodicals and Selected Truck Leases*	Dedicated Public Transportation Assistance Fund (PTAF)	$180.8 million	Allocation is by legislative formula: $171.2 million Urban; $4.8 million Rural; $2.3 million Community Transportation; and $2.5 million Technical Assistance. Eligible uses include capital assistance for Urban, Rural, and Community Transportation Systems. Up to 50% of Urban or Rural PTAF funds may be used for Asset Maintenance. Technical Assistance funds may also be used for Training and Demonstration Projects.
Supplemental Dedicated Funds: Transfer of 1.22% of Sales Tax proceeds not to exceed $75 million annually	Dedicated Supplemental Funding (Act 3 Revenue Enhancement Initiative)	$75 million	Allocation by legislative formula: $69 million Urban; $4.8 million Rural; and $1.2 million for Community Transportation. Eligible uses include capital assistance only for Community Transportation and Capital or Operating assistance for Urban and Rural. Urban systems may use approximately 75% of funds for Operating Assistance, including Asset Maintenance, and the balance for Capital Assistance. Rural systems may use all funds for Operating Assistance.
Lottery Funds and Supplemental General Funds ($137.1 million Lottery/$22.7 million Supplemental General Funds)	Senior Citizen Transportation Program: Fixed-Route and Shared Ride Service	$159.8 million	Allocation is by legislative formula based on senior citizen ridership and average or base fare levels. Urban systems received $143.8 million and rural systems $16.0 million. Funds are used to provide 100% fare reimbursement to systems for providing free senior citizen fares during off-peak hours for Fixed-Route Service, and for reimbursement of 85% of eligible fares for Shared-Ride Service, which has no peak-hour restriction. Shared-Ride Program was exclusively funded with $71.0 million Lottery Funds. Fixed-Route Program was funded with $66.1 million of Lottery Funds and $22.7 million of Supplemental General Funds.

Pennsylvania State Transit Funding: Program Structure and Characteristics (continued)

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
General State Obligation Bond Proceeds	Discretionary Capital Assistance Program	$126.7 million	Discretionary allocation to specific capital projects authorized in periodic State Capital Budgets. Generally, annual policy allocation approximates Urban and Rural legislative formula allocations (e.g., 97% Urban/3% Rural). Eligible uses include all standard categories of capital assistance and vehicle overhaul costs.
General Funds	Intercity Transportation Program	$7.0 million	Discretionary allocation for specific projects as determined by the Department. Funds were used for operating assistance only, and included $5.4 million for the Intercity Rail Program and $1.6 million for the Intercity Bus Program.
General Funds	Miscellaneous Other Programs	$3.7 million	Discretionary allocation for specific projects as determined by the Department. Eligible uses include operating assistance for Persons with Disabilities Demonstration Program; consultant oversight costs for State Rail Transit Oversight Program and Operating Assistance for the Job Access Program (JARC). Amount includes $3.0 million for Persons with Disabilities Demonstration Program; $0.4 million for the State Rail Transit Safety Oversight Program; and $.03 million for the Job Access Program.
		$823.8 million	

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■ Pennsylvania State Transit Funding: Major Features

- Total state transit funding increased from $791.8 million in FY 2002 to $823.8 million in FY 2003. Per capita investment in FY 2003 was $67.

- The funding sources include state general fund, dedicated funds (including both Public Transportation Assistance Fund [PTAF] and Act 3 Revenue Enhancement Initiative), Lottery Funds, and General Obligation Bond Proceeds.

- The state has a constitutional restriction prohibiting the use of highway funds for public transportation.

- State-dedicated PTAF and Act 3 funds are exclusively for public transportation.

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

Rhode Island State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Motor Fuel Taxes (7.25 cents/gallon to transit; 24.2% of gasoline taxes collected)	Operating Assistance	$28.906 million	Dedicated allocation to the statewide transit provider, RI Public Transit Authority (RIPTA) operations. Uses 6.25 cents/gallon from Motor Fuel Tax.
	Department of Elderly Affairs Programs	$4.625 million	Dedicated allocation for Elderly/Disabled reduced fares for RIPTA fixed-route services, RIPTA ADA services, and Department of Elderly Affairs elderly transportation. Uses 1.0 cents/gallon of the Motor Fuel Tax.
General Obligation Bonds	Capital Program	$2.196 million	Funds 20% state match of federal funds for bus purchases.
State Appropriations		$1.715 million	Rhode Island Capital Fund for acquisition, design and construction of transit facilities.
		$37.442 million	

Rhode Island State Transit Funding: Major Features

- Total state transit funding rose from $36 million in FY 2002 to $37.4 million in FY 2003 for a per capita figure of $34.79.
- The Rhode Island Public Transit Authority (RIPTA) now serves as the paratransit broker in Rhode Island. RIPTA is the largest of the paratransit carriers and contracts with two other carriers to provide elderly and disabled paratransit services. The paratransit brokerage is known as Ride.
- Rhode Island voters passed a referendum in November 2002 to spend $1.7 million for bus purchases.

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

South Carolina State Transit Funding: Program Structure and Characteristics

Source	Programs		Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Motor Fuel Taxes (1/4 of one cent)	State Mass Transit Fund	State Match for Large Urban Operators	$1.56 million	Used to provide match for FTA 5307 funds. Monies can be used for both operating and capital expenses.
		State Match for Small Urban Operators	$1.0 million	Used to provide match for FTA 5309 funds. Monies can be used for operating and administrative expenses.
		State Match for Rural (Nonurban) Operators	$2.5 million	Used to provide match for FTA 5311 funds. Monies can be used for operating and administrative expenses.
		Statewide Planning Assistance	$0.025 million	Primarily used for match for the FTA 5313(b) program. In FY 2002-2003, all funds from this program were designated to fund a Mass Transit Vision Plan for the state.
		State Mass Transit Programs	$0.915 million	Funds contingencies and special projects as well as administrative costs of the Mass Transit Office.
			$6.0 million	

South Carolina State Transit Funding: Major Features

- Total state transit funding in FY 2003 was $6.0 million, or about $1.45 per capita.
- State mass transit funds have remained about the same for the past several fiscal years even though funding needs have steadily increased.
- The majority of the state transit funding budget—$5.085 million in FY 2003—is used for matching FTA funds that are awarded in South Carolina.
- The South Carolina Department of Transportation, through its legislative liaison, is currently lobbying the state legislature for an increase in the state's gas tax allocation for mass transit and to make this funding source permanent and dedicated.

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

South Dakota State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Public and Specialized Transportation Fund ($423,000) Other State Funds ($500,000)	Operating Assistance	$923,000	Allocated among 5311 providers by account ridership and miles driven.

■ South Dakota State Transit Funding: Major Features

- Total state transit funding in FY 2003 was $923,000, or $ 1.21 per capita.
- State funding came from the Public and Specialized Transportation Fund ($423,000) and from other state funds ($500,000).

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

Tennessee State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Gas Tax	Urban Capital Assistance	$6.5 million	Formula-based allocation based on urban area population and number of peak vehicles in service. Cities of less than 200,000 population eligible. Provides match for sections 5307, 5309 (bus, rail, rail modernization, new starts), and STP/Flex Funds.
	Urban Operating Assistance	$14.7 million	Formula-based state match of up to 40% of non-federal share.
	Rural Transportation	$6.0 million	Includes discretionary match of 5311 funds, operating assistance, and a rural vehicle replacement program.
	Jobs Access (Rural/Urban)	$1.7 million	Matches federal funds for the Jobs Access Program
	Elderly and Disabled (5310)	$0.2 million	State match of 10% of capital (half of non-federal match).
	MPO/Statewide Planning (5303 and 5313(b))	$0.1 million	Discretionary match of federal funds for planning.
	Urban/Rural Training Assistance	$0.1 million	Discretionary allocation for training assistance.
	Student Intern Program	$0.1 million	Discretionary allocation for student intern program.
	Ridesharing/Park-and-Ride Lots/Special Projects (BRT Feasibility Study)	$1.0 million	Funded from previous year's budgets for FY 2003. Discretionary allocation to local agencies.
		$30.4 million	

■ Tennessee State Transit Funding: Major Features

- Total state transit funding increased from $26.4 million in FY 2002 to $30.4 million in FY 2003 for a per capita figure of $5.20.
- Fourteen (14) urban and eleven (11) rural systems provide public transportation services in all of Tennessee's ninety-five (95) counties. The newest urban system, Franklin, began operations in May 2003.
- In FY 2003, the Tennessee DOT initiated a Twenty-Five Year Transit Plan. A primary goal is to triple transit ridership by 2025. The final plan will be available in FY 2004.
- The sole source for funding transit is the state gas tax which provides funding for urban capital and operating assistance; rural transportation; jobs access; the elderly and disabled program; MPOs and statewide planning; urban and rural training assistance; ridesharing and park and ride projects and special projects.

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

Texas State Transit Funding: Program Structure and Characteristics

Source (1)	Programs	FY 2003 Programmed Amount (1)	Eligible Uses and Allocation
State Highway Fund (non-constitutionally dedicated portion, $35.7 million)	All eligible 5311 (non-urban) programs	$17.2million	A total of 90% of 5311 funds are distributed on a formula basis. That share is allocated to recipients based on recipient's share of total non-urban federal funds in the previous year. Funds may be spent on any transit-related activity. 10% is available for rural public transportation projects selected by the Texas Transportation Commission on a discretionary basis.
General Revenue Fund ($17.7 million)			
Oil Overcharge Monies ($1.0 million)	Eligible 5307 programs in areas between 50,000 and 200,000 population	$8.5 million	A total of 90% of 5307 funds are distributed on a formula basis. That share is allocated to recipients based on the recipient's state-funded expenditures in the previous biennium. Funds may be spent on any transit-related activity. 10% is available for urban public transportation projects selected by the Texas Transportation Commission on a discretionary basis.
		$25.7million	

(1) The State of Texas provides transit funds on a two-year cycle. The figure shows the two-year (FY2002-2003) appropriated amount under the heading "Source," and reflects only the FY 2003 programmed amount under the heading "FY 2003 Programmed Amount." Total funds appropriated by program for the FY 2002-2003 biennium were $35.4 million and $19.0 million for 5311 and 5307 programs respectively.

■ Texas State Transit Funding: Major Features

- Total state transit funds decreased from $61.2 million in the FY 2000–2001 biennium to $54.4 million in the FY 2002–2003 biennium. On an average annual funding basis, as shown in the figure, this is equivalent to a decline from $30.6 million to $25.7 million. This translates to a decline in average annual per capita funding from $1.46 to $1.16.

- The FY 2002-2003 appropriation was financed with three sources of funds for state transit programs in Texas: the state highway fund, the general revenue fund, and oil overcharge monies. The state highway fund supplies more than 65.6 percent of all state funding for transit.

- Of the state funds allocated for transit, 90 percent is allocated by a base formula, and the Texas Transportation Commission distributes 10 percent to projects on a discretionary basis.

- Generally speaking, state funds are available to Section 5307 recipients that have populations between 50,000 and 200,000. Certain 5307 recipients who have more than 200,000 in population, but do not have a transit tax, may also be eligible for state assistance. Although most state funding does not require any matching funds, some 5307 systems, because of their locations in areas served by a transit authority, must match state funds with local funds.

(Texas' fiscal year is September to August.)

Utah 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.			

Utah State Transit Funding: Major Features

- Utah currently provides no state transit funding. All federal matches are made with local dollars.

Vermont State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Transportation Fund	Local Transit Operations	$5.3 million	Transportation funds support local transit operations and are used to match operating, capital, and JARC grants.

Vermont State Transit Funding: Major Features

- State funds in the transit budget in FY 2003 totaled $5.3 million, or $8.56 per capita.
- Vermont provides 50% of the local match on capital acquisitions.
- By statute, Vermont has a funding formula for all operating grants.

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

Virginia State Transit Funding: Program Structure and Characteristics

Source	Prorams		Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Motor Fuel Taxes ($.025) Motor Vehicle Sales And Use Tax Sales Tax (0.25%) Other Fees, Taxes, and Interest)	Commonwealth Transportation Trust Fund Mass Transit Fund ($100.5 million, 14.7% of CTF)	Transit Operating Assistance	$73.3 million	Allocated to transit systems for operating expenses based on each system's operating expenses as a percentage of the statewide total.
		Transit Capital Assistance	$25.7 million	Allocated based on grant application subject to approval by the Commonwealth Transportation Board. Each project is funded at the same percentage of state participation, which may change each year. By law, State can provide up to 95% of local match of federal funding. In FY 2003, match was 50%.
		Transit Special Project Assistance	$1.5 million	Discretionary grants subject to review and approval by Commonwealth Transportation Board. The funds are used to support ridesharing/TDM projects, transit technical studies, and transit demonstration projects. State participation depends on the type of grant.
Regional Motor Fuel Tax (2%)		Northern Virginia Transportation Commission	$21.0 million	Dedicated funding to support the Northern Virginia share of the Washington Metropolitan Area Transit Authority's operating expenses.
		Potomac and Rappahannock Transportation Commission	$10.0 million	Dedicated funding to support the operating and capital expenses of the Virginia Railway Express (commuter rail), Omniride (commuter and local bus) and other transportation projects and services.
			$131.5 million	

CTF = Commonwealth Transportation Fund.
TDM = Transportation Demand Management.

■ Virginia State Transit Funding: Major Features

- Total state transit funding for FY 2003 was $39.9 million for a per capita figure of $17.80.
- The Commonwealth Transportation Trust Fund provides most state funding for transit in Virginia. Various general and motor vehicle taxes are used to support the fund. About 14.7 percent of the fund was allocated to transit in FY 2003.
- Nine counties in the Washington, D.C., metropolitan area are supported by the regional motor fuels tax. Two transportation commissions administer the programs supported by this tax.

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

Washington State Transit Funding: Program Structure and Characteristics

Source	Programs		Amounts to Transit (FY 2003)	Eligible Uses and Allocation
State Multimodal Transportation Fund	Public Transportation and Commute Options $49.2 million	Rural Mobility Grants	$12.7 million	Competitive and formula grants for transit capital and operating in rural areas
		Paratransit/Special Needs Grants	$18.0 million	Competitive and formula grants for capital and operating grants for transit services provided to individuals with special needs.
		Vanpool Grants	$4.0 million	Capital grants to transit to expand vanpooling programs.
		Commute Trip Reduction	$3.7 million	Commute trip reduction is required under state law. Funds are passed through to 10 counties. A new competitive grant program will "purchase" trip reduction innovative programs.
	Passenger Rail Program $35 million		$1.5 million	
			$39.9 million	

Washington State Transit Funding: Major Features

- Total state transit funding for FY 2003-2005 is $84.2 million. For FY 2003, $39.9 million was programmed for transit projects.
- The population of the state is 6,131,445. The service area population of the 26 transit systems is 5,077,820.
- Most transit agencies are municipal corporations or operate under the authority of county government. Three are operated under the authority of a city government. Voter-approved taxes, fares, federal grants and other operating revenue fund local transit agencies. In 2002, the total revenue for public transit operations was $1,155.4 million.
- The most common form of local transit revenue is the sales tax. In 2002, $715.7 million in sales tax was raised by the local transit agencies. Sound Transit, the regional transit authority, also raises revenue through the motor vehicle excise tax. In 2002, this amounted to $58.3 million.
- State funding for public transportation and passenger rail services comes from the state Multimodal Transportation Fund. Fees, sales tax on new and used cars and other non-gas tax revenues are the main source of funding for this account. The Washington State Constitution prohibits the use of gas tax on non-highway programs.
- In May 2003, the Washington State Legislature passed a 10-year transportation funding program that established new grants for public transportation, special needs/Paratransit services, vanpool and commute trip reduction. The new revenue is also available for both capital and operating projects within the passenger rail program.
- The passenger rail program aligns with the north-south Interstate 5 highway. The Washington State Department of Transportation has an operating agreement with Amtrak and a use agreement with the Burlington-Northern/Santa Fe for the use of the tracks.

West Virginia State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
General Funds	Operating Assistance to Rural Transit (FTA Section 5311) Program	$1.2 million	Discretionary funding to provide matching funds, primarily for operating assistance to those areas of the state that lack the economic resources to provide matching funds for the Section 5311 program.
	Match for Statewide Capital Discretionary (FTA Section 5309) Grants	$1.0 million	State matching funds are provided to match capital projects that are included in the statewide Section 5307 grants. Both urban and rural systems receive these matching funds.
		$2.2 million	

West Virginia State Transit Funding: Major Features

- Total state transit funding in FY 2003 was $2.2 million, or $1.22 per capita.
- General revenue funds provide the state's share of transit funding and are used only to match FTA grants.
- No state funds for operating assistance are provided to urban areas.
- Only statewide Section 5309 grants receive state matching funds. Only current 5311 and 5307 recipients are eligible for this funding and must contribute local matching funds.
- General revenue funds provide the match for the Section 5313 program, and no state funds are provided to administer any FTA grant.

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

Wisconsin State Transit Funding: Program Structure and Characteristics

Source		Programs	Amounts to Transit (FY 2003)	Eligible Uses and Allocation
Motor Fuels Taxes Vehicle Registration Taxes Fees/Revenues	State of Wisconsin Transportation Fund	State Transit Operating Assistance	$98.6 million	Formula allocation based on equalized percentage of combined state and federal operating expenses within 3-tier system based on system size.
		Transportation Employment and Mobility Program	$0.3 million	Discretionary grant program emphasizing transportation services that link low-income individuals with jobs and that encourage innovative alternatives to driving alone. Eligible projects include transit, bike, pedestrian, TMA formation, planning, and access-to-jobs initiatives, including private-sector pilot efforts.
		County Elderly and Disabled Program	$7.9 million	Formula program providing aid to counties for specialized transit services to the elderly and disabled communities. Funds can be used for both operating and capital expenditures.
		Elderly and Disabled Capital Assistance Program	$0.9 million	Discretionary funding for acquiring vehicles for elderly and disabled transportation services. Grants made primarily to private, non-profit organizations.
		Multimodal Transportation Studies	$0.8 million	State funding primarily for passenger rail and transit corridor alternatives studies.
		Intercity Passenger Rail	$0.4 million	Funding for Wisconsin's share of the cost of AMTRAK service between Milwaukee and Chicago.
			$108.9 million	

TMA = Transportation Management Agency.

■ Wisconsin State Transit Funding: Major Features

- Total state transit funding increased from $107 million in FY 2002 to $108.9 million in FY 2003, for a current per capita funding level of $19.90.
- State funding covers about 40 percent of operating costs statewide.
- State funding supports the transportation employment and mobility program, which emphasizes transportation services connecting low-income individuals with jobs and encourages innovative alternatives to driving alone.

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

Wyoming State Transit Funding: Program Structure and Characteristics

Source	Programs	Amounts to Transit (FY 2002)	Eligible Uses and Allocation
Unrestricted State Highway Funds	Operating and Capital Assistance	$1.5 million	Allocated to local transit providers to supplement and help match 5307 and 5311 funding.
Interest Income from the Transportation Trust Fund	Transportation Enterprise Fund	-0-	Purchase of public transit vehicles.

■ Wyoming State Transit Funding: Major Features

- Total state transit funding in FY 2003 was $1.5 million, or $2.99 per capita.
- With unusually low interest rates on securities accruing to the Transportation Trust Fund, the interest income from the trust to Transportation Enterprise Fund was so negligible that the funds were not distributed in 2003 but were rolled over for future distribution.
- Gas tax revenues are restricted to highway use only. Transit funds can only come from other portions of the state highway fund.
- During FY 2003, Wyoming DOT flexed approximately $490,000 of congestion mitigation air quality (CMAQ) funds to the public transit program.
- During FY 2003, Wyoming received an appropriation of approximately $2.5 million in FTA Section 5309 capital discretionary funding.
- Other funding sources for Wyoming public transit are local match funds and FTA Sections 5311, 5311i, the Rural Transit Assistance Program (RTAP), 5313(b)(2), 5303, and 5307.

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

3.0 Highlights of State Transit Funding, 2003

State Transit Programs Across the U.S.

In 2002, 46 of the 50 states and the District of Columbia (DC) responded to the Transit Survey. This year, all 50 states and DC returned their surveys. Information from the 2003 survey is summarized followed by an overview of funding changes and historical comparisons for the 47 programs who have responded to both the 2002 and 2003 surveys (for purposes of this summary, DC will be included with the states).

Sources of State Funds (Table 3.1). The most utilized sources for transit funding were the **general fund** (used by 20 states), **gas taxes** (used by 15 states), **motor vehicle/rental car sales taxes** (used by 10 states), **registration/license/title fees** (used by 8 states), **bond proceeds** (used by 8 states), and **general sales tax** (used by 7 states). Twenty-three states reported that they used **other** sources for funding such as state highway funds, trust funds, miscellaneous revenues, fees, taxes, lottery funds, tolls, or other types of assessments. Five of these 23 states relied solely (100% of transit dollars) on these miscellaneous revenue sources.

Types of Investment (Table 3.2). Of the 51 transit programs, seven reported no state funding for transit. Of those programs providing state transit funding, 29 out of 44 (66 percent) reported specific funding amounts for capital expenditures; 26 out of 44 (59 percent) reported specific funding amounts for operating expenditures; 28 out of 44 (64 percent) reported funding amounts that could be used for either capital or operating expenditures, and 15 out of 44 (34 percent) reported funding for planning, training, studies, or other miscellaneous activities. Twice as many dollars were allocated for operating expenditures ($4.519 billion or 50 percent) compared to capital expenditures ($2.117 billion or 24 percent) or funds allocated for either capital or operating ($2.264 billion or 25 percent). Miscellaneous funding allocations totaled $94.35 million or one percent.

Table 3.1 Major Sources for Overall Transit Funding[1]

State	General Fund	Gas Tax	Motor Vehicle/Rental Car Sales Tax	Registration/License/Title Fees	Bond Proceeds	General Sales Tax	Interest Income	Other[2]
Arizona	0.5%							99.5%
Arkansas			100%					
California		X			X	X		X
Connecticut		X	X	X			X	X
Delaware		X		X				X
District of Columbia	80%				20%			
Florida		X	X	X				
Georgia	100%							
Idaho								100%
Illinois	X				X			
Indiana						100%		
Iowa			X					
Kansas		100%						
Kentucky	100%							
Louisiana								100%
Maine	22%				78%			
Maryland	33%		36%	17%	10%			4%
Massachusetts	3%				23%	59%		15%
Michigan		X	X	X				X
Minnesota	X		X					
Missouri	100%							
Montana		19%		81%				
Nebraska	37%							63%
Nevada							100%	
New Hampshire	50%							50%
New Jersey	32%	X				X		X
New York	9%					X		X
North Carolina								X
North Dakota				100%				
Ohio	100%							
Oklahoma	69%	31%						
Oregon	X	X						X
Pennsylvania	X		X		X	X		X
Rhode Island		90%			X			X
South Carolina		100%						
South Dakota								100%
Tennessee		100%						
Texas	X							X
Vermont								100%
Virginia		X	X			X		X
Washington			X					X
West Virginia	100%							
Wisconsin		X		X				
Wyoming							X	100%
Alabama		*These seven states do not use state funds for public transit*						
Alaska								
Colorado								
Hawaii								
Mississippi								
New Mexico								
Utah								

Notes: [1]A percentage figure is shown when the share or contribution of a particular source could be discerned. Where the exact share cannot be computed, an "X" is placed to illustrate the state's reliance on that source.

[2] "Other" includes state highway funds, trust funds, miscellaneous revenues, fees, taxes, lottery funds, tolls, or other types of assessments.

Table 3.2 Types of Expenditures for State Transit Funding

State	Total Reported	Capital		Operating		Either		Comments
	FY 2003	Amt	%	Amt	%	Amt	%	
*Alabama**	$0							*No state funding in 2003*
*Alaska**	$0							*No state funding in 2003*
Arizona	$13,768,000	$6,500,000	47.2%			$7,200,000	52.3%	$68,000 (.5%) for planning
Arkansas	$2,800,000	$900,000	32.1%			$1,900,000	67.9%	
California	$1,294,100,000	$93,300,000	7.2%	$2,800,000	0.2%	$1,198,000,000	92.6%	
*Colorado**	$0							*No state funding in 2003*
Connecticut	$186,100,000	$34,000,000	18.3%	$152,100,000	81.7%			
Delaware	$74,600,000	$29,800,000	39.9%	$44,800,000	60.1%			
DC	$198,038,000	$40,500,000	20.5%	$154,500,000	78.0%	$3,000,000	1.5%	$38,000 (.001%) for planning
Florida	$93,500,000	$10,400,000	11.1%	$9,200,000	9.8%	$72,800,000	77.9%	$1.1m (1.2%)-discretionary project grants
Georgia	$5,232,669	$5,077,777	97.0%					$154,892 (3%) for planning
*Hawaii**	$0							*No state funding in 2003*
Idaho	$312,000	$312,000	100.0%					
Illinois	$754,000,000	$356,000,000	47.2%	$398,000,000	52.8%			
Indiana	$34,800,000					$34,800,000	100.0%	
Iowa	$9,500,000					$9,200,000	96.8%	$300,000 (3.2%) for marketing, training, etc.
Kansas	$6,000,000	$2,190,000	36.5%	$3,810,000	63.5%			
Kentucky	$1,400,000	$1,400,000	100.0%					
Louisiana	$4,962,500	$124,063	2.5%			$4,838,437	97.5%	
Maine	$2,250,000	$1,750,000	77.8%	$500,000	22.2%			
Maryland	$763,500,000	$265,000,000	34.7%	$488,800,000	64.0%	$4,700,000	0.6%	$5.0m (.7%) for other programs
Massachusetts	$1,165,492,492	$273,895,594	23.5%	$891,596,898	76.5%			
Michigan	$207,800,000	$47,800,000	23.0%	$160,000,000	77.0%			
Minnesota	$229,200,000			$191,900,000	83.7%	$17,300,000	7.5%	$20m (8.7%) for construction of busway
*Mississippi**	$0							*No state funding in 2003*
Missouri	$6,600,000			$6,600,000	100.0%			
Montana	$390,000					$390,000	100.0%	
Nebraska	$1,600,000			$1,500,000	93.8%	$100,000	6.3%	
Nevada	$325,000	$325,000	100.0%					
New Hampshire	$200,000			$100,000	50.0%	$100,000	50.0%	
New Jersey	$812,900,000	$552,900,000	68.0%	$260,000,000	32.0%			
*New Mexico**	$0							*No state funding in 2003*
New York	$1,763,200,000	$29,800,000	1.7%	$1,198,600,000	68.0%	$534,800,000	30.3%	
North Carolina	$91,700,000	$10,000,000	10.9%	$30,650,000	33.4%			$51.05m for other functions/programs.
North Dakota	$1,620,000					$1,620,000	100.0%	
Ohio	$20,700,000					$19,400,000	93.7%	$1.3m (6.3%) for other assistance
Oklahoma	$2,750,000					$2,750,000	100.0%	
Oregon	$30,910,000	$5,100,000	16.5%			$20,710,000	67.0%	$5.1m (16.5%)-debt service/bond repayment
Pennsylvania	$823,800,000	$307,500,000	37.3%	$281,500,000	34.2%	$234,800,000	28.5%	
Rhode Island	$37,442,000	$3,911,000	10.4%	$28,906,000	77.2%	$4,625,000	12.4%	
South Carolina	$6,000,000			$3,500,000	58.3%	$1,560,000	26.0%	$.94m (15.7%) administration/planning
South Dakota	$923,000			$923,000	100.0%			
Tennessee	$30,400,000	$6,700,000	22.0%	$14,700,000	48.4%	$6,000,000	19.7%	$3.0m (9.9%)-planning/training/etc.
Texas	$25,700,000					$25,700,000	100.0%	
*Utah**	$0							*No state funding in 2003*
Vermont	$5,300,000					$5,300,000	100.0%	
Virginia	$131,500,000	$25,700,000	19.5%	$94,300,000	71.7%	$10,000,000	7.6%	$1.5m (1.2%) for studies, etc.
Washington	$39,900,000	$4,000,000	10.0%			$32,200,000	80.7%	$3,700,000 (9%)for trip reduction program
West Virginia	$2,200,000	$1,000,000	45.5%	$1,200,000	54.5%			
Wisconsin	$108,900,000	$900,000	0.8%	$98,600,000	90.5%	$8,300,000	7.6%	$1.1m (1%)-studies/employment/mobility
Wyoming	$1,500,000					$1,500,000	100.0%	
TOTALS	$8,993,815,661	$2,116,785,434	23.5%	$4,519,085,898	50.2%	$2,263,593,437	25.2%	$94,350,892 (1%)

*Denotes states that do not provide state funds for transit.

Allocation of State Transit Funding. Almost all states reported how funds were allocated for at least a portion of their transit funding amounts. A number of states showed a mix of formula and discretionary allocations. Out of a total of approximately 185 funding amounts described by the 51 programs, about 150 were divided among three classifications: for capital expenditures only, for operating expenditures only, or those funds that could be used for either capital or operating expenses.

Methods of allocation were provided for about 80 of the 150 funding amounts. Those funds to be used for capital expenditures were fairly evenly divided between discretionary (13) and formula-based (10) allocation with some funding allocated by law or legislatures (5). Operating funds were also fairly evenly divided with 12 discretionary allocations and 14 formula-based (3 funds were distributed by law or legislature). However, of those funds targeted for either capital or operating expenses, the majority were distributed using formula-based allocations (19, compared to 5 discretionary allocations and 3 based on law or legislature). Overall, 51 percent of the funds were allocated using a formula, 36 percent were discretionary allocations, and 13 percent were based on law or legislature. Population, ridership, and previous funding levels were among the most commonly reported formula factors. Numbers of vehicles or vehicle miles traveled were also reported, as were operating expenses. Locally generated income and local transit tax receipts were used in some states as part of allocation formulas.

States with large cities often set aside dedicated amounts or shares for transit providers in those urban areas. For states with a statewide public transit provider, such as Delaware and Rhode Island, the formulas or discretionary allocations may be set by the state legislature itself.

Changes in State Transit Funding (Table 3.3). Because a majority of all states (47 out of 51) provided information for both the 2002 and 2003 studies, historical comparisons could be drawn relative to funding amounts for these two time periods. Changes in funding levels between FY 2002 and FY 2003 are shown in Table 3.3 using two measures: (1) percent change in *total* funding and (2) percent change in *per capita* funding. The former measure simply computes the difference in raw funding amounts reported over the two years as a percentage. The latter measure is more useful when making historical comparisons across states because it relates population increase to changes in funding levels over time and thereby "normalizes" the effect of varied population growth rates of individual states. Both measures are roughly similar in raw figures (for instance, a 45-percent increase in reported *total* funding and a related 43-percent increase in *per capita* funding), but they are not identical. Percent changes in *per capita* funding may either lag or exceed percent changes in *total* funding, thereby creating a different portrait of state funding activity.

Changes in overall state funding for participants in the most recent report have shown a rather wide variance, ranging from a *total* funding increase of 782.6 percent for Arizona (corresponding to 605.7 percent in *per capita* funding) to no change in funding in Kansas, Kentucky, Minnesota, and Montana, to a 100-percent decrease in *total* funding (and related 100-percent *per capita* decrease) in Alabama.

The breakdown of reported changes in *total* funding between the previously surveyed states is as follows:

- A total of 16 states reported increased *total* funding for transit by a range of one percent (Michigan) to 782.6 percent (Arizona).
- Six states—Arizona, Washington, Idaho, Oregon, Maryland, and Tennessee—reported a greater than 15-percent increase.
- The remaining ten states—West Virginia, Connecticut, Pennsylvania, Rhode Island, Delaware, Illinois, Wisconsin, Florida, New York, and Michigan—reported a 1-percent to 5-percent increase.
- Kansas, Kentucky, Minnesota, and Montana reported no change in funding levels in FY 2003.
- Ten states—South Carolina, Virginia, Arkansas, North Dakota, Oklahoma, Iowa, New Jersey, Texas, Indiana, and DC—reported decreases of less than 7 percent.
- Nine states—Maine, Nebraska, Ohio, Nevada, New Hampshire, Georgia, California, Missouri, and Wyoming—reported decreases from 10 percent to 45 percent.
- Two states—South Dakota and Alabama—reported decreases of 79% and 100% respectively.

Varied circumstances and factors help explain above-average increases or decreases in *total* funding among some states such as Arizona, Washington, South Dakota, and Alabama.

- Arizona changed funding sources from the State Lottery (which provided $1.5 million in 2002) to an STP Flexible Funds account (providing $6.5 million in 2003) and the addition of a Local Transportation Assistance Fund II (which provided $7.2 million in 2003).
- In May 2003, the Washington State Legislature passed a 10-year transportation funding program that established new grants for public transportation, special needs/Paratransit services, vanpool, and commute trip reduction.
- In 2002, the bulk of South Dakota's funding—$4.0 million—for capital expenses came from a one-time funding source. A comparison of other allocated dollars shows that the Public and Specialized Transportation Fund provided $300,000 in 2002 compared to $423,000 in 2003 and other state funds provided $180,000 in 2002 compared to $500,000 in 2003.
- In 2002, Alabama provided $60,000 for transit. In 2003, no funds were allocated.

Table 3.3 Changes in State Transit Funding Levels, 2002-2003

State	FY 2003 Funding	FY 2003 Per Capita	FY 2002 Funding	FY 2002 Per Capita	% Change-Total Funding	% Change-Per Capita Funding
*Alabama**	$0	$0.00	$60,000	$0.01	-100.0%	-100.0%
*Alaska**	$0	$0.00	$0	$0.00		
Arizona	$13,768,000	$2.47	$1,560,000	$0.35	782.6%	605.7%
Arkansas	$2,800,000	$1.03	$2,850,000	$1.05	-1.8%	-1.9%
California	$1,294,100,000	$36.47	$2,100,000,000	$64.00	-38.4%	-43.0%
*Colorado**	$0	$0.00	$0	$0.00		
Connecticut	$186,100,000	$53.43	$178,100,000	$52.00	4.5%	2.8%
Delaware	$74,600,000	$91.25	$72,000,000	$89.00	3.6%	2.5%
District of Columbia	$198,038,000	$351.52	$211,800,000	$371.00	-6.5%	-5.3%
Florida	$93,500,000	$5.49	$92,000,000	$5.70	1.6%	-3.7%
Georgia	$5,232,669	$0.60	$8,260,000	$0.96	-36.7%	-37.5%
*Hawaii**	$0	$0.00	$0	$0.00		
Idaho	$312,000	$0.23	$236,000	$0.18	32.2%	27.8%
Illinois	$754,000,000	$59.59	$737,000,000	$59.00	2.3%	1.0%
Indiana	$34,800,000	$5.62	$37,000,000	$6.00	-5.9%	-6.3%
Iowa	$9,500,000	$3.23	$9,900,000	$3.37	-4.0%	-4.2%
Kansas	$6,000,000	$2.20	$6,000,000	$2.22	0.0%	-0.9%
Kentucky	$1,400,000	$0.34	$1,400,000	$0.34	0.0%	0.0%
Louisiana	$4,962,500	$1.10	NR	NR		
Maine	$2,250,000	$1.72	$2,500,000	$1.93	-10.0%	-10.9%
Maryland	$763,500,000	$138.59	$627,000,000	$118.00	21.8%	17.4%
Massachusetts	$1,165,492,492	$181.16	NR	NR		
Michigan	$207,800,000	$20.62	$205,700,000	$20.70	1.0%	-0.4%
Minnesota	$229,200,000	$45.30	$229,200,000	$46.00	0.0%	-1.5%
*Mississippi**	$0	$0.00	$0	$0.00		
Missouri	$6,600,000	$1.16	$11,100,000	$1.96	-40.5%	-40.8%
Montana	$390,000	$0.43	$390,000	$0.43	0.0%	0.0%
Nebraska	$1,600,000	$0.92	$1,800,000	$1.00	-11.1%	-8.0%
Nevada	$325,000	$0.15	$430,000	$0.20	-24.4%	-25.0%
New Hampshire	$200,000	$0.16	$300,000	$0.24	-33.3%	-33.3%
New Jersey	$812,900,000	$94.10	$852,000,000	$99.00	-4.6%	-4.9%
*New Mexico**	$0	$0.00	$0	$0.00		
New York	$1,763,200,000	$91.88	$1,743,400,000	$91.00	1.1%	1.0%
North Carolina	$91,700,000	$10.91	NR	NR		
North Dakota	$1,620,000	$2.56	$1,660,000	$2.60	-2.4%	-1.5%
Ohio	$20,700,000	$1.81	$24,400,000	$2.00	-15.2%	-9.5%
Oklahoma	$2,750,000	$0.78	$2,850,000	$0.82	-3.5%	-4.9%
Oregon	$30,910,000	$8.68	$23,960,000	$6.80	29.0%	27.6%
Pennsylvania	$823,800,000	$66.62	$791,800,000	$64.00	4.0%	4.1%
Rhode Island	$37,442,000	$34.79	$36,000,000	$34.00	4.0%	2.3%
South Carolina	$6,000,000	$1.45	$6,010,000	$1.49	-0.2%	-2.7%
South Dakota	$923,000	$1.21	$4,480,000	$5.89	-79.4%	-79.5%
Tennessee	$30,400,000	$5.20	$26,400,000	$4.55	15.2%	14.3%
Texas	$25,700,000	$1.16	$27,200,000	$1.25	-5.5%	-7.2%
*Utah**	$0	$0.00	$0	$0.00		
Vermont	$5,300,000	$8.56	NR	NR		
Virginia	$131,500,000	$17.80	$132,600,000	$18.25	-0.8%	-2.5%
Washington	$39,900,000	$6.51	$10,600,000	$1.75	276.4%	272.0%
West Virginia	$2,200,000	$1.22	$2,100,000	$1.16	4.8%	5.2%
Wisconsin	$108,900,000	$19.90	$107,000,000	$19.66	1.8%	1.2%
Wyoming	$1,500,000	$2.99	$2,700,000	$5.40	-44.4%	-44.6%

Note: ** Texas provides funds on a biennial basis. Figures shown are average annual funds for the biennium.
Source: The population statistics to derive per capita figures are published by the U.S. Census Bureau, "State Population Estimates: April 1, 2000 to July 1, 2003."

A summary of changes in reported *per capita* funding among these same states is noted below:

- Between FY 2002 and FY 2003, 14 states reported increases in *per capita* funding ranging from a 1-percent increase (New York) to a 605.7-percent increase (Arizona).
- Eight states—West Virginia, Pennsylvania, Connecticut, Delaware, Rhode Island, Wisconsin, Illinois, and New York—reported increases in the 1-percent to 5-percent range.
- Four states—Idaho, Oregon, Maryland, and Tennessee—reported increases in the 14-percent to 30-percent range.
- Two states—Arizona and Washington—reported increases of 605.7 percent and 272 percent respectively.
- Kentucky and Montana reported no changes in per capita funding in FY 2003.
- Sixteen states—Michigan, Kansas, Minnesota, North Dakota, Arkansas, Virginia, South Carolina, Florida, Iowa, Oklahoma, New Jersey, DC, Indiana, Texas, Nebraska, and Ohio—reported a decrease of less than 10 percent.
- Seven states—Maine, Nevada, New Hampshire, Georgia, Missouri, California, and Wyoming—reported decreases measuring 11 percent to 45 percent.
- Two states—South Dakota and Alabama—reported decreases of 79.5 percent and 100 percent respectively.

Explanatory variables for above-average increases or decreases in *per capita* funding over time mirror the discussion of *total* funding above.

■ State Transit Funding Summary

A snapshot of all states surveyed in the FY 2003 effort, shown in Table 3.4, reveals that *total* transit funding by state varies widely across the nation, ranging from zero dollars in funding to $1.76 billion. Seven states—Alabama, Alaska, Colorado, Hawaii, Mississippi, New Mexico, and Utah—do not fund transit at the state level. On the other hand, states such as New York, California, Massachusetts, Pennsylvania, New Jersey, Maryland, and Illinois, among others, have made large state investments in transit ranging from $754 million to $1.76 billion.

Table 3.5 shows state funding ranked by *per capita* funding levels. In terms of per capita funding, the District of Columbia reported committing the most resources,[1] followed by

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[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.

Massachusetts, Maryland, New Jersey, New York, and Delaware. California and Rhode Island reported committing almost equal amounts per capita, in spite of the large variance in *total* funding. In sum, 16 states (including the District of Columbia) reported between $10 per capita and $352 per capita commitments, whereas the remaining states reported zero dollars per capita to slightly less than $9.00 per capita. Generally, the states with more urban characteristics and more extensive public transit services reported higher *total* and *per capita* figures.

Table 3.4 Level of Investment Reported by All States and DC, Ranked by Total Funding

State	FY2003 Funding	FY 2003 Per Capita Costs	Population Figures
New York	$1,763,200,000	$91.88	19,190,115
California	$1,294,100,000	$36.47	35,484,453
Massachusetts	$1,165,492,492	$181.16	6,433,422
Pennsylvania	$823,800,000	$66.62	12,365,455
New Jersey	$812,900,000	$94.10	8,638,396
Maryland	$763,500,000	$138.59	5,508,909
Illinois	$754,000,000	$59.59	12,653,544
Minnesota	$229,200,000	$45.30	5,059,375
Michigan	$207,800,000	$20.62	10,079,985
District of Columbia	$198,038,000	$351.52	563,384
Connecticut	$186,100,000	$53.43	3,483,372
Virginia	$131,500,000	$17.80	7,386,330
Wisconsin	$108,900,000	$19.90	5,472,299
Florida	$93,500,000	$5.49	17,019,068
North Carolina	$91,700,000	$10.91	8,407,248
Delaware	$74,600,000	$91.25	817,491
Washington	$39,900,000	$6.51	6,131,445
Rhode Island	$37,442,000	$34.79	1,076,164
Indiana	$34,800,000	$5.62	6,195,643
Oregon	$30,910,000	$8.68	3,559,596
Tennessee	$30,400,000	$5.20	5,841,748
Texas	$25,700,000	$1.16	22,118,509
Ohio	$20,700,000	$1.81	11,435,798
Arizona	$13,768,000	$2.47	5,580,811
Iowa	$9,500,000	$3.23	2,944,062
Missouri	$6,600,000	$1.16	5,704,484
South Carolina	$6,000,000	$1.45	4,147,152
Kansas	$6,000,000	$2.20	2,723,507
Vermont	$5,300,000	$8.56	619,107
Georgia	$5,232,669	$0.60	8,684,715
Louisiana	$4,962,500	$1.10	4,496,334
Arkansas	$2,800,000	$1.03	2,725,714
Oklahoma	$2,750,000	$0.78	3,511,532
Maine	$2,250,000	$1.72	1,305,728
West Virginia	$2,200,000	$1.22	1,810,354
North Dakota	$1,620,000	$2.56	633,837
Nebraska	$1,600,000	$0.92	1,739,291
Wyoming	$1,500,000	$2.99	501,242
Kentucky	$1,400,000	$0.34	4,117,827
South Dakota	$923,000	$1.21	764,309
Montana	$390,000	$0.43	917,621
Nevada	$325,000	$0.15	2,241,154
Idaho	$312,000	$0.23	1,366,332
New Hampshire	$200,000	$0.16	1,287,687
*Alabama**	$0	$0.00	4,500,752
*Alaska**	$0	$0.00	648,818
*Colorado**	$0	$0.00	4,550,688
*Hawaii**	$0	$0.00	1,257,608
*Mississippi**	$0	$0.00	2,881,281
*New Mexico**	$0	$0.00	1,874,614
*Utah**	$0	$0.00	2,351,467

Note: * The DC figure is artificially high. WMATA extends into Maryland and Virginia and therefore serves a population much larger than that of DC. Calculation is based on DC investment per DC residents.

** Texas provides funds on a biennial basis. Figures shown are average annual funds for the biennium.

Source: The population statistics to derive per capita figures are published by the U.S. Census Bureau, "State Population Estimates: April 1, 2000 to July 1, 2003."

Table 3.5 Level of Investment Reported by All States and DC, Ranked by Per Capita Funding

State	FY2003 Funding	FY 2003 Per Capita Costs	Population Figures*
District of Columbia	$198,038,000	$351.52	563,384
Massachusetts	$1,165,492,492	$181.16	6,433,422
Maryland	$763,500,000	$138.59	5,508,909
New Jersey	$812,900,000	$94.10	8,638,396
New York	$1,763,200,000	$91.88	19,190,115
Delaware	$74,600,000	$91.25	817,491
Pennsylvania	$823,800,000	$66.62	12,365,455
Illinois	$754,000,000	$59.59	12,653,544
Connecticut	$186,100,000	$53.43	3,483,372
Minnesota	$229,200,000	$45.30	5,059,375
California	$1,294,100,000	$36.47	35,484,453
Rhode Island	$37,442,000	$34.79	1,076,164
Michigan	$207,800,000	$20.62	10,079,985
Wisconsin	$108,900,000	$19.90	5,472,299
Virginia	$131,500,000	$17.80	7,386,330
North Carolina	$91,700,000	$10.91	8,407,248
Oregon	$30,910,000	$8.68	3,559,596
Vermont	$5,300,000	$8.56	619,107
Washington	$39,900,000	$6.51	6,131,445
Indiana	$34,800,000	$5.62	6,195,643
Florida	$93,500,000	$5.49	17,019,068
Tennessee	$30,400,000	$5.20	5,841,748
Iowa	$9,500,000	$3.23	2,944,062
Wyoming	$1,500,000	$2.99	501,242
North Dakota	$1,620,000	$2.56	633,837
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South Carolina	$6,000,000	$1.45	4,147,152
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Texas	$25,700,000	$1.16	22,118,509
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New Hampshire	$200,000	$0.16	1,287,687
Nevada	$325,000	$0.15	2,241,154
*Alabama**	$0	$0.00	4,500,752
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*Mississippi**	$0	$0.00	2,881,281
*New Mexico**	$0	$0.00	1,874,614
*Utah**	$0	$0.00	2,351,467

Note: * 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.

** Texas provides funds on a biennial basis. Figures shown are average annual funds for the biennium.

Source: The population statistics to derive per capita figures are published by the U.S. Census Bureau, "State Population Estimates: April 1, 2000 to July 1, 2003."

4.0 Overview of State and Local Ballot Initiatives

Overview

In 2003, voters were once again asked to consider transit-related referenda, 25 of which are profiled here.[1] In terms of importance, the focus is on those ballot measures affecting large cities and entire states. Voters in Houston passed an ambitious plan to expand light rail and bus service, those in San Francisco chose to continue an existing sales tax to support and upgrade several different modes of transport, and those in Kansas City (Missouri) elected to maintain and even improve public transit. In addition, voters in Maine supported statewide improvements to the intermodal transportation network.

Notable exceptions were Tucson, Anchorage, and Orlando. Tucson voters defeated local tax increases that would have benefited transit improvements, including a new light-rail line and expanded bus service. Those in Anchorage refused to fund transportation improvements through the issuance of general obligation bonds. Voters in Orlando and surrounding Orange County rejected funding for long-term transportation improvements.

To be certain, the reasons are many and varied for the defeat of local transit issues. However, transportation officials in Tucson and Orlando acknowledged the negative impact of tough economic times, especially in states with an above-average proportion of senior citizens (those aged 65 years and over), who usually are retired from employment and hence, do not require public transportation to job locations.

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[1] Some of the profiles were derived from various articles in *Passenger Transport*, the weekly publication of the American Public Transportation Association (APTA), available online at http://www.apta.com/passenger_transport/thisweek/. These articles include the following: "Laketran Sales Tax Levy Passes," November 24, 2003; "Transit Scores Election Victories Across Country," November 10, 2003; "Orlando Area Voters Reject Funding for Long-Term Transportation Improvements," October 13, 2003; "Charleston, S.C., Proposes Service Cuts, Fare Increases to Maintain Operation," September 29, 2003; "Charleston, S.C., Faces Loss of Half-Cent Sales Tax for Transportation," September 1, 2003; "Irvine, Calif., Voters Deliver Mixed Message on Light Rail," June 9, 2003; "Anchorage Voters Defeat Transportation Bond Issue," April 28, 2003; "Transportation Tax Votes Fail in Fort Collins, Colorado," April 15, 2003. Other sources include the Center for Transportation Excellence, "Upcoming Transit Ballot Information," available online at http://www.cfte.org/success/; "Persistence Is Key to Generating Revenue through Ballot Measures," *Metro Magazine*, September-October, 2003, p. 70; "Laramie County Voters Pass All 6 Questions," *Casper Star-Tribune*, November 6, 2003; "Sales-tax Increase, Annexation into Transit District Pass," *Denver Post*, November 5, 2003.

Despite these challenges, 2004 is likely to witness another bumper crop of transportation ballot measures, and many of them will represent second or third attempts to gain voter approval of dedicated funding sources. As noted by the Center for Transportation Excellence,[2] most successful cities fail more than once before finally achieving breakthroughs at the ballot box, usually on the second or third attempt. One major reason is that many local elections are influenced more by the economy or a national election for President than by the level of support for public transit.

Table 4.1 shows the ballot results by funding type. Most initiatives proposed sales taxes as the funding mechanism for dedicated taxes.

Table 4.1 2003 Ballot Results, by Type of Initiative

		Approved by Voters	
Initiative Type	**Total**	**Number**	**Percent**
All Initiatives	25	16	64%
"Pure" Transit-Only Initiatives*	7	7	100%
Dedicated Sales Tax, New	11	6	55%
Dedicated Sales Tax, Renewal	2	2	100%
Dedicated Property Tax	3	2	67%
Dedicated Auto Excise Tax	1	0	0%
Dedicated Bond Issue	4	3	75%
Jurisdictional Issue, No Special Tax nor Bond	3	2	67%

Note: * "Pure" transit means the mass movement of people via a particular mode of public transportation (airway, highway, railway, waterway), and does not include such projects as construction, maintenance, and improvement of streets and intersections, facilities for car parking, parks and green spaces, bicycle paths, and pedestrian walkways.

The following two sections present short profiles of the 25 ballot measures. The first section gives measures that were approved by voters; the second provides measures that were defeated by voters.

[2] The Center for Transportation Excellence, headquartered in Washington, D.C., is a non-partisan center for policy research, created to serve the needs of communities and transportation organizations nationwide by providing research materials, strategies, and other forms of support on the benefits of public transportation. Additional information is available online at http://www.cfte.org .

The third section details a judicial decision affecting Charleston, South Carolina, that invalidated a transportation issue that was successfully passed, albeit narrowly, in November, 2002.

■ Ballot Initiatives Approved by Voters

Voters approved the following 16 initiatives; in the case of Irvine (California), voters defeated an attempt to reject any future light-rail system. San Francisco and Lake County (Ohio) voted to renew existing sales taxes that were about to expire. In Kansas City (Missouri), two competing types of sales-tax increases were offered to voters, one of which was passed. Elsewhere, Summit County (Utah), Cheyenne (Wyoming), and Lone Tree (Colorado) all passed new sales taxes, with Cheyenne approving three separate transportation-type issues. Grand Rapids (Michigan) and Clay County (Missouri) both chose to levy a property tax. San Francisco, Houston, and the State of Maine obligated bonds to raise needed capital. Smaller towns also approved various transportation-related issues; Edgewater (New Jersey) sought ferry service to New York City; Marblehead (Ohio) wanted ferryboat surcharges; and newly chartered Volente (Texas) wished to remain within its current service area.

Irvine, California

[1 of 2 Initiatives on Ballot; Purpose: to keep light rail out of Irvine entirely]
Date of Ballot: 6 - 3 – 2003
Margin of Defeat: 52% to 48%
Nature of Proposal: Reject any construction and any use of a light-rail system within the city. According to a spokesperson for the Orange County Transportation Authority (OCTA), the defeat of this measure leaves the door open for the future of light rail in Irvine. Hence, voter defeat of this issue is really a victory of sorts, or at least an opportunity, for future enhancements to the transportation system. A separate initiative to join OCTA's light-rail project was also on the ballot (See *Irvine, California*, under **Ballot Initiatives Defeated by Voters**).
Means of Funding: Not a funding issue.

San Francisco, California

Date of Ballot: 11 - 4 – 2003
Margin of Approval: 75% to 25%
Nature of Proposal: Provide maintenance of local streets, transportation for the elderly and disabled, construction of a Central Subway, upgrades to the existing bus system, extension of Caltrain to a new Transbay Terminal, support for BART (Bay Area Rapid Transit) and ferries, and replacement of roadway to Golden Gate Bridge.
Means of Funding: Continue current 0.5% sales tax. A new 30-year transportation spending plan replaces the current plan. The San Francisco Transportation Authority is allowed to spend as much as $485 million per year and to issue as much as $1.880 billion in bonds, repayable from sales tax revenue.

Lone Tree, Colorado

Date of Ballot: 11 - 4 – 2003
Margin of Approval: 73% to 27% (total of 1,245 votes cast)
Nature of Proposal: Support annexation into Denver's Regional Transportation District, and pay for new bus service to Denver Tech Center, Highlands Ranch, and nearby light-rail station.
Means of Funding: Assess a new sales tax of 0.6%.

Maine (Statewide)

Date of Ballot: 11 - 4 – 2003
Margin of Approval: 66% to 34%
Nature of Proposal: Improve highways, bridges, rail corridors, and other transportation facilities.
Means of Funding: Obligate bonds to raise nearly $63.5 million. Following passage, the State becomes eligible for matching federal funds of $217 million.

Grand Rapids, Michigan

Date of Ballot: 11 - 4 – 2003
Margin of Approval: 66% to 34%
Nature of Proposal: Expand bus service to increase frequency of pick-ups, to add evening service, and to add new routes or extensions.
Means of Funding: Levy a property tax to raise nearly $9 million. The tax rate is based on 0.95 mill per dollar of value on area properties (Note: one mill is one-tenth of one cent, or $0.001).

Clay County, Missouri

Date of Ballot: 11 - 4 – 2003
Margin of Approval: 57% to 43%
Nature of Proposal: Provide transportation services to the elderly, defined as those persons 60 years of age or older.
Means of Funding: Levy a property tax at the rate of 0.5 mill per dollar of assessed value on county properties (Note: one mill is one-tenth of one cent, or $0.001).

Kansas City, Missouri

[1 of 2 Competing Initiatives on Ballot]
Date of Ballot: 11 - 4 – 2003
Margin of Approval: 69% to 30%
Nature of Proposal: Add 12 new bus routes, increase trips or add larger buses to 13 existing routes, and maintain fiscal solvency of current bus system. In 2004, the Area Transportation Authority (ATA) faces a shortfall of $12 million, which accounts for 21% of its budget, caused primarily by declining tax revenue in Kansas City. Without tax relief, the ATA proposed elimination of more than one-third of the bus routes in Kansas

City, sharp cuts in trips to nearly one-half of the remaining bus routes, and workforce downsizing of as many as 150 bus employees. An alternative and competing measure, not approved by the ATA, was also on the ballot (See *Kansas City, Missouri*, under **Ballot Initiatives Defeated by Voters**).

Means of Funding: Pass an increase of ⅜-cent tax, for addition to the city's current one-half cent transportation sales tax, to generate about $22 million annually, lasting five years.

Edgewater, New Jersey

Date of Ballot: 11 - 4 – 2003
Margin of Approval: 55% to 45%
Nature of Proposal (Non-Binding): Should the Borough of Edgewater act to establish ferry service, without parking facilities, from the Grand Cove marina, and/or other sites in the municipality, to New York City?
Means of Funding: Not considered by voters.

Lake County, Ohio

Date of Ballot: 11 - 4 – 2003
Margin of Approval: 67% to 33%
Nature of Proposal: Continue to support the county transit system, called Laketran, which has experienced an increase in ridership of 5.5% annually since 1994.
Means of Funding: Renew the current 0.25% sales tax for 10 years.

Marblehead, Ohio

Date of Ballot: 11 - 4 – 2003
Margin of Approval: 67% to 33%
Nature of Proposal: Earmark tax revenues (ferry surcharges) for Marblehead Emergency Medical Service, police, streets, sidewalks, storm drain culverts, and other services and improvements.
Means of Funding: Implement a per-trip ferry departure tax (surcharge) of 50 cents for passengers 12 years of age or older, and 25 cents per trip for those younger.

Houston, Texas

Date of Ballot: 11 - 4 – 2003
Margin of Approval: 52% to 48%
Nature of Proposal: Expand Houston's light rail system by 72 miles, 64 miles of which are to be added to the 7.5 mile METRORail Main Street Line (scheduled to open 1-1-2004), and 8 miles of commuter rail; improve bus service with 44 new routes, 5 of which are to be designated as express crosstown routes, plus 1,000 new route miles, extended operating hours, increased frequency of pick-ups; and add more than 250 miles of two-way, all-day Park & Ride service.

Means of Funding: Obligate as much as $640 million in revenue bonds and obtain federal funds in support of the Metropolitan Transit Authority of Harris County's $7.5 billion regional transit plan. No tax increase needed.

Volente, Texas (a hamlet of 2 square miles on Lake Travis, which incorporated in February, 2003)

Date of Ballot: 11 - 4 – 2003
Margin of Approval: 85% to 15% (total of 94 votes cast)
Nature of Proposal: To stay or not to stay – within the service area of the Capital Metropolitan Transportation Authority. Of course, the Village Council was delighted to report that the transit agency returns to Volente as much as 3 times the revenue received from Volente in sales taxes.
Means of Funding: Not a funding issue.

Summit County, Utah

Date of Ballot: 11 - 4 – 2003
Margin of Approval: 70% to 30%
Nature of Proposal: Provide an expanded and free bus system in the Snyderville Basin from Kimball Junction to Main Street in Park City, including nearby ski resorts.
Means of Funding: Increase the sales tax by 0.25%, which is expected to generate $1.5 million in 2004. At a later time, in order to collect the tax revenues, voters will need to approve a taxing district, as drawn by county commissioners.

Cheyenne & Laramie County, Wyoming

[1st of 3 Initiatives on Ballot]
Date of Ballot: 11 - 4 – 2003
Margin of Approval: 71% to 29%
Nature of Proposal: Improve the safety of the runways at Cheyenne Municipal Airport. This issue also included 7 other public-safety projects, costing a total of $3.9 million, to provide new and updated equipment for area police and fire departments.
Means of Funding: Provide $475,000 from an additional Specific Purpose Sales and Use Tax of 1%.

[2nd of 3 Initiatives on Ballot]
Date of Ballot: 11 - 4 – 2003
Margin of Approval: 68% to 31%
Nature of Proposal: Reconstruct and relocate the Norris Viaduct, one of three dangerous intersections where vehicular and pedestrian traffic cross the large yard of the Union Pacific Railroad in Cheyenne. A new bridge and other highway improvements are expected to beautify the neighborhood, buffer the area from noise at a nearby refinery, and discourage traffic from using local streets.
Means of Funding: Provide $11.0 million from the same 1% Sales and Use Tax stated above in 1st Initiative.

[3rd of 3 Initiatives on Ballot]
Date of Ballot: 11 - 4 – 2003
Margin of Approval: 61% to 39%
Nature of Proposal: Proceed with highway construction, called the Greenway Extension, to link the east side of Cheyenne to points west and south in Sun Valley, and plan for future connections to other metropolitan areas, such as the Norris Viaduct.
Means of Funding: Provide $4.5 million from the same 1% Sales and Use Tax stated above in 1st Initiative.

■ Ballot Initiatives Defeated by Voters

Voters defeated the following 9 initiatives. Tucson (Arizona) and Orlando (Florida) both defeated new sales taxes, and Tucson voters also defeated plans for a new light-rail line. Kansas City (Missouri) voters faced two competing measures with sales-tax increases; one passed, the other did not. Fort Collins (Colorado) voted down two separate initiatives, one for a new sales tax and the other for a new excise tax on construction. Anchorage (Alaska) voters turned down a combination bond and property tax, while Kitsap County (Washington) rejected a combination sales tax and excise tax on autos. In Irvine (California), voters refused to join the county's light-rail system.

Anchorage, Alaska

Date of Ballot: 4 - 1 – 2003
Margin of Defeat: 52% to 48%
Nature of Proposal: Upgrade the city-owned transit fleet via vehicle acquisition and replacement; purchase support vehicles; plan and design new transit facilities; and pay associated operational and maintenance costs.
Means of Funding: Obligate as much as $1 million in general revenue bonds, repayable from a tax based on 0.01 mill per dollar of assessed value on area properties; increase the municipal tax cap by as much as $2,000 (Note: one mill is one-tenth of one cent, or $0.001).

Tucson, Arizona

[1st of 2 Initiatives on Ballot]
Date of Ballot: 11 - 4 – 2003
Margin of Defeat: 64% to 36%
Nature of Proposal: Design, build, and operate a 13-mile light–rail line; improve Tucson's transit system (Sun Tran bus lines and Van Tran services); expand bus lines by creating a 47-mile "rapid bus" service; and provide money for neighborhood street repairs. Citizens for a Sensible Transportation Solution gathered enough signatures to prompt this election.
Means of Funding: Fund by means of 2nd Initiative, stated below. A spokesperson at Sun Tran claimed the defeat will have no effect on current transit services.

[2nd of 2 Initiatives on Ballot]
Date of Ballot: 11 - 4 – 2003
Margin of Defeat: 63% to 37%
Nature of Proposal: Fund the 1st Initiative, stated above, with an add-on of 0.3% to the regular sales tax and an add-on of 3.0% to the sales tax on construction. These increases were expected to generate revenue of $1 billion over 20 years.

Irvine, California

[1 of 2 Initiatives on Ballot; Purpose: to join the county's light-rail system]
Date of Ballot: 6 - 3 – 2003
Margin of Defeat: 52% to 48%
Nature of Proposal: Join Orange County's proposed light-rail system of 11.4 miles, called CenterLine, which is scheduled to connect downtown Santa Ana, the commercial and business community of Costa Mesa, and the campus of the University of California at Irvine; and include street improvements. A separate initiative to keep light rail out of Irvine entirely was also on the ballot (See *Irvine, California*, under **Ballot Initiatives Approved by Voters**).
Means of Funding: Use an existing county sales tax of one-half cent, allocate $125 million reserved for the city from state rail bonds, and apply for additional federal and state funding. The Orange County Transportation Authority (OCTA) estimates the total cost of CenterLine at $1.4 billion.

Fort Collins, Colorado

[1st of 2 Initiatives on Ballot]
Date of Ballot: 4 - 1 – 2003
Margin of Defeat: 54% to 46%
Nature of Proposal: Develop a 5.5-mile north-south highway, known as the Mason Street Transportation Corridor, to relieve traffic congestion on College Avenue; widen some well-traveled highways; and improve passage at certain congested intersections.
Means of Funding: Add 0.25% to the city sales and use tax to generate $6 million annually for 10 years.

[2nd of 2 Initiatives on Ballot]
Date of Ballot: 4 - 1 – 2003
Margin of Defeat: 53% to 47%
Nature of Proposal: Assist the 1st Initiative, stated above, with improvement projects for streets, intersections, transit system, bicycle paths, and pedestrian walkways.
Means of Funding: Add 1% to the excise tax on new construction and some remodeling projects to generate $2 million annually for 10 years.

Orlando & Orange County, Florida

Date of Ballot: 10 - 7 – 2003
Margin of Defeat: 54% to 46%

Nature of Proposal: Proceed with expansion of roads and transit, called the Mobility 20/20 Plan, in an effort to curb central Florida's worsening traffic congestion; widen highly traveled county roads, such as making Interstate 4 into a four-lane highway; improve and expand the bus services provided by LYNX ; and develop a system for either light rail or commuter rail.
Means of Funding: Increase the local sales tax by one-half cent for 20 years.

Kansas City, Missouri

[1 of 2 Competing Initiatives on Ballot]
Date of Ballot: 11 - 4 – 2003
Margin of Defeat: 62% to 37%
Nature of Proposal: Build a transportation system involving light rail, electric buses, street cars, bike lanes, express buses, and a transit hub at Union Station. This proposal marked the sixth ballot issue championed by transit activist Clay Chastain, none of which have passed. An alternative and competing measure, sought by the Area Transportation Authority, was also on the ballot (See *Kansas City, Missouri*, under **Ballot Initiatives Approved by Voters**).
Means of Funding: Increase the transportation sales tax by one-half cent for 12 years.

Kitsap County, Washington

Date of Ballot: 11 - 4 – 2003
Margin of Defeat: 64% to 35%
Nature of Proposal: Pay for 14 new, high-speed, passenger-only ferries to link Bremerton, Southworth, and Kingston to downtown Seattle.
Means of Funding: Increase by 0.3% both the sales tax and motor vehicle excise tax.

■ Ballot Initiatives Previously Approved by Voters but Rejected by Judicial System

The Charleston Area Regional Transportation Authority (CARTA) received an unpleasant surprise in August, 2003, from the South Carolina Supreme Court. A ballot initiative, which narrowly passed nine months earlier, was invalidated due to ballot wording not in conformance with state law. This judicial decision overturned earlier rulings in favor of the referendum by the Election Commissions of both Charleston County and the State of South Carolina. Details follow.

Charleston County, South Carolina

Date of Ballot: 11 – 5 - 2002
Margin of Approval: 50% to 49% (difference of 865 votes)

Nature of Proposal: Maintain the solvency of the bus system for public transportation, complete construction of an intermodal center, build park-and-ride lots, initiate commuter express bus service, and purchase smaller buses for residential areas.
Means of Funding: Add one-half cent to the sales tax to raise a total of $1.3 billion over 25 years, of which 65% is to be used for maintenance and improvement of county roads, 18% is to fund CARTA, and 17% is to preserve parks and green space. The funds help replace the loss several years ago of the system's main funding source, the local power supplier.

Date of Judicial Action: 8 – 25 – 2003
Nature of Judicial Decision: The Supreme Court of the State of South Carolina rules that the result of the initiative is invalid, claiming that voters were misled into a "YES" vote by ballot wording not in conformance with state law. The offending wording follows:

All qualified electors desiring to vote in favor of the traffic congestion relief, safe roads, and clean water sales tax for the stated purposes shall vote "YES."

All qualified electors opposed to the traffic congestion relief, safe roads, and clean water tax for the stated purposes shall vote "NO."

Consequences in 2003 Due to Judicial Decision: CARTA is now in financial trouble. State and federal funds cannot be drawn without matching local funding, which no longer exists. The next referendum can take place no sooner than November, 2004. By the end of 2003, CARTA plans to cut by 50% bus service on Saturdays, Sundays, and off-peak hours on weekdays; discontinue service after 10 pm; eliminate holiday service; combine or eliminate low-ridership routes; increase regular fares by 25 cents to $1.25; and begin charging 25 cents for transfers that used to be free.
Further Consequences in 2004: CARTA expects to request a rehearing before the State Supreme Court based on new information involving home rule, declare a fiscal emergency that would allow waivers of state and federal requirements to access funds, and solicit help from the U.S. Congress regarding the use of federal funds.

Appendix A

State Contacts

The following individuals are the primary contacts for gathering and editing the material in this report:

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