



# DEPARTMENT OF TRANSPORTATION

# NEWS

## URBAN MASS TRANSPORTATION ADMINISTRATION

WASHINGTON, D.C. 20590

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### CHANGES ANNOUNCED IN UMTA GRANT PROCESS

Significant changes in the grant delivery system for urbanized areas seeking Federal transit funds were announced today by Robert E. Patricelli, Administrator of the U. S. Department of Transportation's Urban Mass Transportation Administration (UMTA).

"UMTA's new grant delivery system is the first major alteration in our grant review and approval process in over four years," Patricelli said. "We are cutting red tape and shifting emphasis away from project-by-project applications to system-wide program decisions."

The changes, affecting Section 3 discretionary capital grants, Section 5 formula capital and operating grants and Section 9 planning grants, will result in three major improvements in the UMTA grant delivery system:

- \*It will eliminate unnecessary paperwork and redundancy in the process of applying for UMTA funds;

- \*It will make it possible for funds to flow earlier in the fiscal year and with less federal intervention, thereby speeding up grant delivery; and

- \*It will provide for a system-wide focus for UMTA project

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decisions rather than a project-by-project decision, thereby encouraging a more unified local planning and programming process.

These changes are the result of the efforts of a special program review task force established in February 1976. The UMTA task force worked closely with transit and public officials throughout its review, adopting many of their suggestions in the final procedures.

"I expect these new procedures to strengthen significantly local and federal decision-making processes," Patricelli said, "and offer considerable improvement in the provision of federal transit assistance."

The new procedures will be contained in a revised UMTA External Operating Manual, which is under preparation.

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ADMINISTRATOR ROBERT E. PATRICELLI REMARKS AT PRESS CONFERENCE,  
TUESDAY, OCTOBER 12, 1976

I am pleased to announce today a group of significant changes in UMTA's grant delivery system for urbanized areas which will reduce the paperwork necessary to obtain UMTA transit assistance, speed up the application evaluation process here at UMTA and generally "cut red tape." These changes, the product of a special task force appointed in February of this year and chaired by Bruce T. Barkley of UMTA, are the first major alteration in our grant review and approval process in over four years.

Throughout the task force's review, contributions from the Nation's transit and public officials have played a significant role in UMTA's decisions. The American Public Transit Association, the U.S. Conference of Mayors, various transportation planning groups, transit operators and State and local officials have all participated in the development of these new procedures; much of their input was ultimately adopted by UMTA as part of the new procedures. The new process covers discretionary capital grants under Section 3, formula grants for capital and operating assistance under Section 5, and planning grants under Section 9.

Essentially, the new procedures do three things: They provide for a system-wide focus for UMTA project decisions; they eliminate unnecessary paperwork and redundancy in the process of applying for UMTA funds; and they make it possible for funds to flow

earlier in the fiscal year and with less Federal intervention, through the elimination of separate project applications for certain categories of routine grants.

Under UMTA's old system of grant approval and delivery, each individual project application had to be accompanied by 28 separate "exhibits" -- statutory and regulatory requirements such as civil rights assurances, labor protection assurances, environmental protection statements, and so forth. If a given urbanized area submitted 5 grant applications during the fiscal year, that meant a total of 140 documents that needed to be filed with UMTA. This considerable duplication of paperwork burdened both the applicant and UMTA staff and resulted in slow turnarounds in processing.

Under the new system, the major shift in emphasis is away from project-by-project applications to system-wide program decisions. Most of both local and UMTA decisions are now focused on an annual program review which covers several elements, including the vast majority of the "exhibits" that formerly were required for each application. Whereas 140 exhibits were required in the example provided above, under the new system, that number would be reduced considerably. Only nine exhibits must now be submitted with each individual application; the remaining 19 are submitted annually for the entire urbanized area or once only, with updates as needed.

Another major feature of the system is the stronger link it provides between the planning process, the TIP, and project application stages. New procedures will specify that the decisions made and materials required by UMTA at the TIP and project application stages should flow from and be products of the planning process.

There will be three major steps in the annual grant cycle under UMTA's new procedures. First, a number of general assurances which formerly had to be filed with each grant application need now be filed and approved only once. They will be deemed to apply to all subsequent grants without need for refiling. Items in this category include the required assurances that the grantee is charging not more than one-half the normal peak hour fare to elderly and handicapped users during off-peak hours, and compliance with the Davis-Bacon Act and Federal flood insurance requirements.

Second, UMTA will conduct an annual review of a "program of projects" submitted with an urbanized area's Transportation Improvement Program (TIP). This review will focus on the entire transit and transportation system, rather than on individual project components. Required Federal findings, such as compliance with Civil Rights Acts, elderly and handicapped transportation requirements, and Transportation Systems Management (TSM) requirements, will be made, based on a "wholesale" basis on the annual program rather than "retail" or case-by-case around each project application.

Further, to guide the development of the annual program of projects, UMTA will provide a discretionary capital assistance funding "mark" as planning guidance to major urbanized areas over one million in population. (All urbanized areas over 200,000 already know in advance their allocation of formula grant funds.) For routine bus replacement grants and operating assistance funding, approval of the program of projects within the funding mark will be equivalent to project grant approval, and funds can flow quickly. Under the current system, individual grant applications had to be submitted for every project included in the approved TIP.

Third, for those non-routine capital grant projects listed in the TIP -- e.g., an application for funds to build a new bus maintenance facility -- individual grant applications must be developed and approved.

These new procedures will be embodied in a revised UMTA External Operating Manual which is now being prepared. They will be made applicable upon release of that manual, expected shortly. It is expected that fiscal year 1977 will be a transition year between the old and new processes, with waivers being available to provide relief from the new submission dates where necessary.

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