



**Massachusetts Bay
Transportation Authority**

Bipartisan Infrastructure Law (BIL) Overview

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Bipartisan Infrastructure Law | Overview

- Authorizes up to \$108 billion nationally for public transportation, including \$91 billion in guaranteed funding over the five-year period (FFY22-26)
- Reauthorizes existing surface transportation programs and appropriates specific funding for certain categories of spending
 - Congress establishes the funding for Federal Transit Administration (FTA) programs through authorizing legislation that amends Chapter 53 of Title 49 of the U.S. Code
 - The Bipartisan Infrastructure Law (BIL) reauthorizes surface transportation programs for FY 2022-2026 and provides advance appropriations for certain programs
- The public transit section of the Bipartisan Infrastructure Law (BIL) provides funding through two channels (1) Federal formula programs and (2) discretionary or competitive grant programs
 - The MBTA will continue to seek out and apply for all eligible competitive funding opportunities, including those managed by the FTA, FHWA, FRA, EPA, etc.
- The FTA has announced four key priorities for public transportation under the legislation: (1) Safety, (2) Modernization, (3) Climate and (4) Equity



Bipartisan Infrastructure Law | Formula Funding

- Predictable formula funding enables transit agencies to better manage long-term assets and address the backlog of state of good repair needs.
 - Each grant program specifies eligible recipients, eligible activities and a local match requirement
 - Annually, Congress appropriates funds, FTA then publishes a Notice in the Federal Register that provides an overview of the apportionments and allocations for the various programs
 - Depending on the program, designated recipients enter into a “split letter” to determine specific funding allocations within the urbanized area (UZA)
 - Direct recipients of Federal funds must take on responsibility for complying with all FTA regulations
- The MBTA is eligible and receives Federal formula funds through three programs:
 - **Urbanized Area Program (Section 5307)** - Funds made available for transit capital and operating assistance in urbanized areas with a population of 50,000 or more. Funds are split between the MBTA and other RTA’s within the Boston UZA.
 - **Buses and Bus Facilities (Section 5339)** - Funds to replace, rehabilitate, and purchase buses and related equipment, and to construct bus-related facilities. Funds are split between the MBTA and other RTA’s within the Boston UZA.
 - **State of Good Repair (Section 5337)** - Provides capital assistance for maintenance, replacement, and rehabilitation projects of high-intensity fixed guideway and bus systems to help transit agencies maintain assets in a state of good repair. Additionally, SGR grants are eligible for developing and implementing TAM plans.



Formula Funding | MBTA Estimates

- The Bipartisan Infrastructure Bill establishes a new baseline for Federal Formula funds
 - Previous funding levels were established in the Fixing America’s Surface Transportation (FAST) Act of 2015, and these funding levels were *previously* used to estimate available sources in *last year’s* FY22-26 Transportation Improvement Program (TIP).
- The following values are estimates based on information released by the House Committee on Transportation and Infrastructure and show an estimated increase of \$580M over five years, which is an additional \$109M - \$124M each year.

FFY22-26 TIP - Annual MBTA Funding Assumptions (\$M)

As programmed in the MBTA's FY22-26 TIP

FTA Formula Funds	FFY22	FFY23	FFY24	FFY25	FFY26	FFY22-26 Total
5307/5340 Funding	\$149.8	\$152.4	\$155.0	\$157.7	\$160.4	\$775.3
5337 Funding	\$151.1	\$153.7	\$156.3	\$159.0	\$161.7	\$781.7
5339 Funding	\$6.2	\$6.3	\$6.4	\$6.5	\$6.6	\$32.1
	\$307.1	\$312.4	\$317.7	\$323.2	\$328.7	\$1,589.1

FFY22-26 FTA Highway Trust Fund and General Fund Authorization by Urbanized Area for the Infrastructure Investment and Jobs Act (\$M)

Based on figures published by the House Committee on Transportation and Infrastructure, including General Fund amounts. Assumes historical allocations between the MBTA and other RTA's within the Boston UZA.

FTA Formula Funds	FFY22	FFY23	FFY24	FFY25	FFY26	FFY22-26 Total
5307/5340 Funding	\$184.8	\$188.7	\$193.7	\$197.7	\$202.7	\$968
5337 Funding	\$225.4	\$229.3	\$234.3	\$238.4	\$243.5	\$1,171
5339 Funding	\$5.8	\$6.0	\$6.3	\$6.4	\$6.7	\$31
	\$416.0	\$424.0	\$434.3	\$442.5	\$453.0	\$2,169.8
Difference	\$108.9	\$111.6	\$116.5	\$119.4	\$124.3	\$580.7

- Numbers may be updated once FTA publishes a Notice in the Federal Register
- Current estimates use historical split percentages between the MBTA and other RTA’s within the Boston UZA for Section 5307 and 5339 and assume a General Fund allocation of Section 5337 funds.
- Transit formula funding amounts are subject to change resulting from the 2020 census or from annual transit service data reported to FTA’s National Transit Database (NTD)



Federal Discretionary Grants



The Bipartisan Infrastructure Law (BIL) included new and reauthorized existing transit and infrastructure **competitive grant programs** that the MBTA will be eligible to apply for over the 5-year timeframe of the authorization

The MBTA will aggressively pursue all eligible discretionary funding opportunities in BIL. To accomplish this goal we will, (1) proactively identify grant opportunities, (2) identify competitive projects and (3) develop and submit strong applications

Project Selection for Grant Opportunities

The MBTA will strive to pursue funding for projects that align with the MBTA's stated goals, strategic mission, and the 5-year CIP which is the MBTA's statement of priorities for capital investments

- The annual CIP development process will continue to establish the pool of projects for which the agency may develop a discretionary grant application
- In some cases, awarded funds will allow the MBTA to reallocate previously programmed funds and in other cases, awards may go to unfunded phases of a project or increased project costs
- On a limited basis, the best fit for a grant program may be a project that is “next up” in prioritization (as determined in the CIP process) but has not yet made it into the CIP

Many discretionary grant applications require candidate projects to be in an organization's capital planning documents or long-range plans.



Competitive Funding Opportunities

- Existing FTA competitive grant programs:
 - **Low-No Emission Bus Program (5339c)** - \$5.6 billion (\$1.1B available in FFY22)
 - Funding to state and local government authorities for the purchase or lease of zero-emission and low-emission transit buses as well as acquisition, construction and leasing of required supporting facilities
 - **Bus and Bus Facilities (5339)** - \$3.2 billion (\$545M available in FFY22)
 - Provides competitive funding to states and direct recipients to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities including technological changes or innovations to modify low or no emission vehicles or facilities.
 - **Capital Investment Grants Program** - \$8 billion
 - New Starts: funds for new fixed guideway systems (including BRT) or extensions to existing systems with a total project cost over \$300 million.
 - Small Starts: funds for new fixed guideway systems or extensions to existing systems with a total project cost under \$300 million.
 - Core Capacity: dedicated to improving corridors at or near capacity and increasing capacity by at least 10%.
- New FTA competitive programs:
 - **All Stations Accessibility Program** - \$350M FFY22 Est. Program Size
 - New competitive grant program that will provide funding to legacy transit and commuter rail authorities to upgrade existing stations to meet or exceed accessibility standards under the ADA.
 - **SGR – Competitive Grants for Rail Vehicle Replacement** - \$300M FFY22 Est. Program Size
 - New competitive grants for rail rolling stock, as well as for the development and implementation of transit asset management plans
 - **Electric or Low Emitting Ferry Program** - \$80 million FFY22 Est. Program Size (combined with Ferry Grant Program)
 - Will support the transition of passenger ferries to low or zero emission technologies.
- The MBTA may also be eligible to seek discretionary funds through several grant programs managed by other Federal agencies including but not limited to: RAISE, INFRA, MEGA, CRISI and Federal-State Partnership for Intercity Passenger Rail



MBTA Federal Grants Update | April 2022

Summary
Federal Grants
submitted,
SFY2022

Won
\$23.9M

Awards
Received
3

Applications in
Development
6

Awaiting
Award
Notification
9

Recent Wins

- We won 2 discretionary awards since March Audit & Finance Subcommittee Report
 - FY2021 FTA Passenger Ferry Grant Program | *Won \$3.9 million for catamaran overhauls*
 - FY2021 FTA Bus and Bus Facilities Program | *Won \$5 million for Quincy Bus Maintenance Facility*

Work in Progress

- Six applications are in development with due dates ranging from May to November 2022
 - Upcoming Submissions:
 - Due May 23: Combined INFRA, MEGA, Rural Surface Transportation grant programs to the Multimodal Project Discretionary Grant Program
 - Due May 31: Combined Low/No Emissions & Bus/Bus Facilities Programs
- Capital Investment Grant (CIG) submission for Green Line Transformation
 - On March 16, the MBTA submitted a letter to FTA to request entry into the Project Development (PD) phase of the CIG Core Capacity Program for the Green Line Transformation Program.
 - The letter was accepted on April 12 and FTA has 45 days to review and respond.
 - If our application is accepted into PD, that would begin a two-year PD phase, followed by a Project Engineering (PE) phase, which results in a Full-Funding Grant Agreement (including match).

