



Highlights of [GAO-06-910T](#), a testimony for the Subcommittee on Housing and Transportation, Committee on Banking, Housing, and Urban Affairs, U.S. Senate

## Why GAO Did This Study

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) authorized a significant level of investment—over \$52 billion—for federal transit programs. SAFETEA-LU also added new transit programs and made changes to existing programs, including the New Starts and Job Access and Reverse Commute (JARC) programs. The New Starts program is a discretionary grant program for public transportation capital projects. The JARC program is intended to improve the mobility of low-income individuals seeking work. SAFETEA-LU authorized \$8.6 billion for these two programs. The Federal Transit Administration (FTA) manages both of these programs.

This testimony discusses GAO's preliminary findings on the (1) changes SAFETEA-LU made to the New Starts program, (2) changes SAFETEA-LU made to the JARC program, and (3) issues that may be important as FTA moves forward with implementing the act. To address these objectives, GAO interviewed FTA officials, sponsors of New Starts projects, and representatives from industry associations and reviewed FTA's guidance on the New Starts and JARC programs and federal statutes, among other things.

[www.gao.gov/cgi-bin/getrpt?GAO-06-910T](http://www.gao.gov/cgi-bin/getrpt?GAO-06-910T).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Katherine Siggerud at (202) 512-2834 or [siggerudk@gao.gov](mailto:siggerudk@gao.gov).

## PUBLIC TRANSPORTATION

# Preliminary Information on FTA's Implementation of SAFETEA-LU Changes

## What GAO Found

The changes SAFETEA-LU made to the New Starts program range from establishing the Small Starts program to introducing new evaluation criteria. FTA has taken some initial steps in implementing SAFETEA-LU changes, including issuing an Advanced Notice of Proposed Rule Making (ANPRM) for the Small Starts program and guidance for the New Starts program in January 2006. The Small Starts program is intended to offer small projects an expedited and streamlined application and review process; however, the transit community has questioned whether the Small Starts program, as outlined in the ANPRM, would provide such a process. FTA's guidance for the New Starts program identified and sought public input on possible changes to the program that would affect traditional New Starts projects, or large starts, such as revising the evaluation process to incorporate the new criteria identified by SAFETEA-LU.

SAFETEA-LU also made a number of changes to the JARC program. One key change was to change JARC from a discretionary to a formula-based program, which provides funds to states and large urbanized areas for JARC projects. Other SAFETEA-LU changes include allowing JARC recipients to use a portion of funds for planning activities and removing a limit on the amount of funds available for reverse commute projects. To implement these changes, FTA solicited comments and input through public listening sessions and program notices. FTA has released interim guidance for fiscal year 2006, is currently developing draft final guidance for the JARC program, and plans to issue final guidance later this year.

GAO's past work suggests that transparency, communication, and accountability issues will be important as FTA moves forward in implementing SAFETEA-LU changes to the New Starts and JARC programs. Since 1998, GAO has issued numerous reports on these programs, and many of the reports contained recommendations to FTA on ways to improve the implementation of these programs. For example, GAO has reported that FTA could increase the transparency of the New Starts program by obtaining public input on proposed policy changes before they are implemented. SAFETEA-LU addressed some of these issues, and FTA has also taken steps to resolve some of them. For example, SAFETEA-LU requires FTA to publish for notice and comment any proposals that make significant changes to the New Starts program. Nevertheless, given the number of changes that are being made to both programs, continued focus on efforts to improve transparency, communication, and accountability will be important.

FTA officials provided technical comments on a draft of this testimony, which were incorporated where appropriate.