



Highlights of [GAO-07-812T](#), a testimony to the Subcommittee on Highways and Transit, Committee on Transportation and Infrastructure

Why GAO Did This Study

Through the New Starts program, the Federal Transit Administration (FTA) identifies and recommends new fixed-guideway transit projects for funding—including heavy, light, and commuter rail; ferry; and certain bus projects. The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) authorized the New Starts program through fiscal year 2009 and made a number of changes to the program, including creating a separate program commonly called Small Starts. This program is intended to offer an expedited and streamlined evaluation and rating process for smaller-scale transit projects. FTA subsequently introduced a separate eligibility category within the Small Starts program for “Very Small Starts” projects. Very Small Starts projects are simple, low-risk projects that FTA has determined qualify for a simplified evaluation and rating process.

This testimony discusses GAO’s preliminary findings on (1) FTA’s implementation of SAFETEA-LU changes to the New Starts program, (2) the extent to which the New Starts pipeline (i.e., projects in the preliminary engineering and final design phases) has changed over time, and (3) future trends for the New Starts and Small Starts pipelines. To address these objectives, GAO surveyed 215 project sponsors and interviewed FTA officials, 15 project sponsors, and 3 industry groups. Our survey response rate was 77 percent.

www.gao.gov/cgi-bin/getrpt?GAO-07-812T.

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.

PUBLIC TRANSPORTATION

Preliminary Analysis of Changes to and Trends in FTA's New Starts and Small Starts Programs

What GAO Found

FTA has made progress in implementing SAFETEA-LU changes, but more work remains. Project sponsors frequently identified two key issues for FTA to consider as it moves forward in implementing SAFETEA-LU changes: (1) further streamline the Small Starts program and (2) fully incorporate economic development as a criterion in the New Starts and Small Starts evaluation and rating processes. According to our analysis of the number and types of requirements for New Starts and Small Starts application processes, the Small Starts process has fewer requirements. However, project sponsors said that FTA should further streamline the process by, for example, eliminating requests for duplicate information requested in required worksheets. SAFETEA-LU added economic development to the list of project justification evaluation criteria that FTA must use to evaluate and rate projects. However, FTA currently assigns a weight of 50 percent each to cost-effectiveness and land use in calculating a project’s overall rating—the other 4 statutorily identified criteria, including economic development, are not weighted. We previously reported that FTA’s reliance on two evaluation criteria to calculate a project’s overall rating is drifting away from the multiple-measure evaluation and rating process outlined in statute. Further, without a weight for economic development, project sponsors say, the evaluation and rating process does not reflect an important benefit of certain projects. FTA officials said they are currently working to develop an appropriate economic development measure as part of their upcoming rulemaking.

The New Starts pipeline—that is, projects in different stages of planning—has changed in size and composition since the fiscal year 2001 evaluation and rating cycle, and a variety of factors have contributed to these changes. Since then, the number of projects in the New Starts pipeline has decreased by more than half. Additionally, the types of projects in the pipeline have changed during this time frame, as bus rapid transit projects are now more common than commuter or light rail projects. FTA officials attributed the decrease in the pipeline to their increased scrutiny of applications to help ensure that only the strongest projects enter the pipeline, and to their efforts to remove projects from the pipeline that were not advancing or did not adequately address identified problems. Project sponsors GAO interviewed provided other reasons for the pipeline’s decrease, including that the New Starts process is too complex, time-consuming, and costly. Our survey results reflect many of these same reasons for the decline in the pipeline.

Despite these concerns, GAO’s survey of project sponsors indicates future demand for New Starts, Small Starts, and Very Small Starts funding. The sponsors GAO surveyed reported having 137 planned projects and intend to seek New Starts, Small Starts, or Very Small Starts funding for almost three-fourths of these projects. Project sponsors GAO surveyed also reported considering a range of project type alternatives in their planning. The most commonly cited alternatives were bus rapid transit and light rail.