1. Introduction - Coordinated Public Transit – Human Services Transportation Plan
    a. Required by Federal transportation program reauthorization law for:
        i. FTA Section 5310 Program – Transportation for Elderly Individuals and Individuals with Disabilities,
        ii. FTA Section 5316 Program – Job Access and Reverse Commute (JARC) Program,
        iii. FTA Section 5317 Program – New Freedom Program,
    b. Projects funded under these listed FTA programs must, by Federal statute:
        i. Be derived from a public transit – human services transportation plan that is:
            1. Locally developed,
            2. Coordinated,
        ii. Plan must be developed through
            1. A process,
            2. Includes participation by
                a. Non-profit transportation and human services providers:
                    i. Public,
                    ii. Private
                    iii. Non-profit,
                b. Participation by members of the public

2. Development of the Coordinated Public Transit – Human Services Transportation Plan
    a. Overview: Coordinated public transit – human services transportation plan:
        i. Identifies transportation needs of:
            1. Individuals with disabilities,
            2. Older adults,
            3. Peoples with low incomes,
        ii. Provides strategies for meeting those local needs,
        iii. Prioritizes transportation services for funding and implementation,
        iv. Definition of "local" plans – those plans may be developed on a:
            1. Local,
            2. Regional, or
            3. Statewide level,
        v. Decision as to the boundaries of the local planning areas should be made in consultation with:
            1. The State,
            2. Designated recipient (of the FTA program grants),
            3. Metropolitan planning organization (MPO), where applicable,
        vi. Agency leading the planning process is:
            1. Decided locally,

2. Does not have to be the designated recipient of the FTA program grants,

vii. Considerations in urban areas:
   1. Where there are multiple designated (grant) recipients, there may be multiple plans,
   2. Each designated (grant) recipient will be responsible for the competitive selection of projects in the designated recipient's area.

viii. Plan should maximize the programs' collective coverage by minimizing duplication of services,

ix. Plan must be developed through a process that includes representatives of transportation and human services transportation providers:
   1. Public,
   2. Private,
   3. Non-profit,

x. Participation by members of the public, should include:
   1. Representative(s) of the targeted populations:
      a. Individuals with disabilities,
      b. Older adults,
      c. People with low incomes,

xi. Plan only required in communities seeking funding in one or more the three specified FTA programs,

xii. To greatly strengthen its impact, the plan should also incorporate activities offered under other programs sponsored by:
   1. Federal agencies,
   2. State agencies,
   3. Local agencies

b. Required Elements
   i. Plan must minimally include the following elements at a level consistent with available resources and the complexity of the local institutional environment:
      1. An assessment of available services that identifies current providers:
         a. Public,
         b. Private,
         c. Non-profit,
      2. An assessment of transportation needs:
         a. For individual with disabilities,
         b. For older adults,
         c. For people with low incomes,
         d. Basis of assessment,
            i. Experiences and perceptions of planning partners,

ii. More sophisticated data collection efforts,
iii. Gaps in service

3. Strategies and/or activities:
   a. To address the identified gaps,
   b. To achieve efficiencies in service delivery
4. Relative priorities for implementing specific strategies/activities identified based on:
   a. Resources,
   b. Time,
   c. Feasibility

ii. Note on Required Planning Elements for Plans Developed Prior to Guidance:
   1. Plans developed before issuance of guidance will be accepted as long as they:
      a. Meet minimum criteria:
         i. Assessment of available services,
         ii. Assessment of needs,
         iii. Strategies to address gaps for targeted populations,
   2. FTA recognizes that initial plans may be less complex and will mature over time,
   3. Addendums to existing plans to include minimum criteria will be sufficient for FY 2007 grant funding,
   4. Plans must be developed:
      a. In good faith,
      b. In coordination with appropriate planning partners,
      c. With opportunities for public participation,

c. Local Flexibility in the Development of Local Public Transit – Human Services Transportation Plan
   i. FTA recognizes importance of local flexibility in plan development,
      1. Lead agency for the coordinated planning process may be different from the agency that will serve as the designated (grant) recipient.
   ii. FTA recognizes that many communities have conducted assessments of transportation needs and resources regarding the targeted populations,
   iii. FTA also recognizes that some communities have taken steps to develop a comprehensive, coordinate, human services transportation plan
   iv. However, as all new federal requirements must be met, some communities may need to modify their plans or processes as necessary to meet these requirements.
   v. Plans will vary based upon:

1. Availability of resources
2. Existence of populations served under these (FTA) programs,

vi. Examples of varied plans:
1. A rural community may develop its plans based on perceived needs emerging from the collaboration of the planning partners,
2. A large urbanized community may use existing data sources to conduct a more formal analysis to define service gaps and strategies to address those gaps,

vii. Plans are eligible activities for grant funding under several FTA programs:
1. FTA Section 5303 – Metropolitan transportation planning,
2. FTA Section 5304 – Statewide Transit Planning,
3. FTA Section 5307 – Urbanized Area Transit Formula Program,
4. Leverage planning and administration funding in:
a. FTA Section 5310,
b. FTA Section 5316 – JARC
c. FTA Section 5317 – New Freedom

d. Tools and Strategies for Developing a Coordinated Plan
i. May approach development of plan in different ways depending on:
1. Amount of available time,
2. Staffing,
3. Funding,
4. Other resource considerations,

ii. List of potential strategies for consideration:
1. Community planning session
a. Conducted with a diverse group of community stakeholders,
b. Based on personal and professional experience, identifying:
i. Needs
ii. Strategies to address the needs,
iii. Set priorities based on
1. Time
2. Resources
3. Feasibility for implementation,
c. Process can be done in one session, or in several sessions with the same group,
d. Helpful to identify a facilitator to lead this process,
e. May be conducted in cooperation, or coordination with other metro or statewide planning processes

2. Self-assessment tool – FTA's Framework for Action
    a. Self-assessment tool,
        i. Focuses on a series of core elements
        ii. Categories of diagnostic questions,
        iii. Helps assess progress towards coordination based on standards of excellence,
    b. Facilitator's guide,
        i. Provides advice in choosing,
            1. An existing group,
            2. Constructing an ad hoc group,
        ii. Describes how to develop elements of a plan:
            1. Identifying the needs of targeted populations,
            2. Assessing gaps and duplications of service,
            3. Developing strategies to meet needs and coordinate services,
3. Focus groups
    a. These meetings provide opportunities for greater input from a greater number of representatives, including,
        i. Transportation agencies,
        ii. Human service providers,
        iii. Passengers
    b. Opportunity to begin ongoing dialogue with community representatives on:
        i. Key issues,
        ii. Strategies,
        iii. Plans for implementation,
4. Survey
    a. The community may evaluate,
        i. Unmet transportation needs, and/or,
        ii. Available resources,
    b. Surveys can be conducted through:
        i. Mail,
        ii. E-mail,
        iii. In-person interviews,
    c. Survey design should consider:
        i. Sampling,
        ii. Data collection strategies,
        iii. Analysis,
        iv. Projected return rates,
    d. Survey design accessibility considerations:

i. Alternative formats (for persons with disabilities)
ii. Access to the Internet,
iii. Literacy levels,
iv. Limited English proficiency (of survey respondents),

5. Detailed study and analysis:
   a. Complex analysis using:
      i. Inventories,
      ii. Interviews,
      iii. GIS mapping,
      iv. Other types of research strategies,
   b. Decision to conduct this level of analysis should consider:
      i. Amount of time available,
      ii. Amount of resources available,
         1. Consider leveraging State resources,
         2. Consider leveraging MPO resources,

3. Participation in the Coordinated Public Transit – Human Services Transportation Planning Process

a. Adequate Outreach to Allow for Participation
   i. Outreach strategies and potential participants will vary,
   ii. Potential outreach strategies include:
      1. Notice or flyers in centers of community activity,
      2. Newspaper or radio announcements,
      3. E-mail lists,
      4. Web postings,
      5. Invitation letters to:
         a. Other government agencies,
         b. Transportation providers,
         c. Human services providers,
         d. Advocacy groups,
      6. Should not rely exclusively on electronic communications,
   iii. Useful to allow many ways to participate, including:
      1. In-person testimony,
      2. Mail,
      3. E-mail,
      4. Teleconference,
   iv. Public Meetings
      1. Location and time where accessible transportation available,
      2. Adequately advertised to the public using above techniques,
      3. Interpreters for:

a. Individual with hearing impairments,
b. English as a second language,

4. Accessible format materials provided (as required by law):
   a. Large print,
   b. Braille,
   c. Electronic versions

b. Participation in the Planning Process
   i. Consideration should be given to include groups, such as:
      1. Transportation partners:
         a. Area transportation planning agencies,
            i. MPO's,
            ii. States,
            iii. Local governments,
         b. Public transportation providers, including:
            i. ADA paratransit providers,
            ii. Agencies administering the projects funded under FTA urban and non-urban programs,
         c. Private transportation providers, including:
            i. Private transportation brokers,
            ii. Taxi operators,
            iii. Van pool providers,
            iv. Intercity bus operators,
         d. Non-profit transportation providers,
         e. Past or current organizations funded under:
            i. FTA Section 5310,
            ii. FTA Section 5316 – JARC,
            iii. FTA Section 5317 – New Freedom,
         f. Human service agencies with transportation services that:
            i. Fund transportation services,
            ii. Operate transportation services,
            iii. Provide access to transportation services,
      2. Passengers and Advocates
         a. Existing and potential riders:
            i. General population passengers,
            ii. Targeted population passengers,
               1. Individuals with disabilities,
               2. Older adults,
               3. People with low incomes,
         b. Protection and advocacy organizations,
         c. Representatives for independent living centers,
         d. Advocacy organizations working on behalf of targeted populations,
      3. Human Service Partners:

a. Agencies that administer programs for targeted populations:
    i. Health,
    ii. Employment,
    iii. Other support programs,
b. Examples of such agencies:
    i. Departments of Social / Human Services,
    ii. Employment One-Stop Services,
    iii. Vocational Rehabilitation,
    iv. Medicaid,
    v. Community Action Programs (CAP),
    vi. Agency on Aging (AoA),
    vii. Developmental Disability Council,
    viii. Community Services Board,
    ix. Non-profit human service provider organizations that serve targeted populations,
    x. Job training and placement agencies,
    xi. Housing agencies,
    xii. Health care facilities,
    xiii. Mental health providers.

4. Other
    a. Security and emergency management agencies,
    b. Tribes and tribal representatives,
    c. Economic development organizations,
    d. Faith-based and community-based organizations,
    e. Representatives of the business community (employers),
    f. Appropriate local or State officials and elected officials, and,
    g. School districts,
5. NOTE – Participation in the planning process will not bar providers (public or private) from bidding to provide services identified in the coordinated planning process.

c. Levels of Participation:
    i. Suggested list in 3. b. above, does not limit participation by other groups, nor require participation by every group listed,
    ii. It is expected that planning participants will have an active role in:
        1. Development of the plan,
        2. Adoption of the plan,
        3. Implementation of the plan,
    iii. Participation may remain low, even though a good faith effort is made by the lead agency to solicit involvement,
    iv. Lead agency convening the planning process should document efforts utilized to attract participation,

v. Federal, state, regional and local policy makers, providers and advocates should consistently engage in outreach efforts
vi. State DOT offices are encouraged to work with their partner agencies at the State level to provide information about:
    1. Importance of partnering with human service transportation programs,
    2. Opportunities that are available through building a coordinated system,

d. Adoption of Plan
    i. Participants should identify the process for adoption of the plan,
    ii. Designated grant recipients should also include a strategy for adopting the plan in their Program Management Plan,
    iii. FTA will not formally review and approve plans,
    iv. The designated grant recipients will document the plan from which each project listed is derived, including:
        1. The lead agency,
        2. The date of adoption of the plan, or
        3. Other appropriate identifying information, such as:
            a. Citing the section of the plan,
            b. Citing the page reference for which the project is derived,

4. Relationship to Other Transportation Planning Processes

a. Relationship Between the Coordinated Planning Process and the Metropolitan and Statewide Transportation Planning Process
    i. The coordination plan may either be:
        1. Developed separately from the metropolitan and statewide transportation processes and then incorporated into the broader plans, or
        2. Developed as a part of the metropolitan and statewide transportation planning processes.
    ii. If the coordination plan is not prepared with the broader process, there should be consistency between the coordinated planning process and metropolitan or statewide planning.
    iii. Projects identified in the coordinated planning process and selected for FTA funding through the competitive selection process must be:
        1. Incorporated into both the TIP and STIP by the MPO in urbanized areas with populations of 50,000 or more, and
        2. Incorporated into the STIP for nonurbanized areas under 50,000 population.
    iv. The lead agency developing the coordination plan should communicate at an early stage with the relevant,
        1. MPOs, or

2. State planning agencies

v. States with coordinated programs may wish to incorporate the needs and strategies identified in local coordinated plans into statewide coordination plans.

vi. State and local officials should consider the fundamental differences between the coordinated planning process and the metropolitan and statewide transportation planning processes:
   1. Differences in scope,
   2. Differences in time horizon,
   3. Differences in level of detail,

vii. Areas of planning process overlap represent opportunities for sharing and leveraging resources between the planning processes for such activities as:
   1. Needs assessments based on the distribution of:
      a. Targeted populations and,
      b. Locations of employment centers,
      c. Employment related activities,
      d. Community services and activities,
      e. Medical centers,
      f. Housing,
      g. Other destinations,
   2. Inventories of:
      a. Transportation providers/resources,
      b. Levels of utilization,
      c. Duplication of service,
      d. Unused capacity,
   3. Gap analysis,
   4. Any (program) eligibility restrictions,
   5. Opportunities for increased coordination of transportation services,

viii. Local communities may choose the method for developing plans that best fit their needs and circumstances.

b. Relationship Between the Requirement for Public Participation in the Coordinated Plan and the Requirement for Public Participation in Metropolitan and Statewide Transportation Planning

i. SAFETEA-LU requires MPOs and States to engage the public and stakeholder groups in preparing:
   1. Transportation plans,
   2. TIPs
   3. STIPs

ii. "Interested parties" include, among others:
   1. Affected public agencies,
   2. Private providers of transportation,
   3. Representatives of users of public transportation,
   4. Representatives of elderly individuals,

5. Representatives of individuals with disabilities,

iii. In order to minimize additional costs and avoid duplication of efforts, MPOs and States may coordinate with metropolitan and statewide planning:
   1. Schedules,
   2. Agendas,
   3. Strategies of the coordinated planning process,

iv. MPOs and states must still provide opportunities for participation when planning for transportation related activities beyond the coordinated public transit – human services transportation plan.

c. Cycle and Duration of the Coordination Plan
   i. At a minimum, the coordination plan should follow the update cycles for metropolitan transportation plans, i.e.:
      1. Four years in air quality non-attainment and maintenance areas;
      2. Five years in air quality attainment areas,
   ii. Communities and States may update the coordination plan to align with the competitive selection process based on needs identified at the local levels.
   iii. To ensure that selected projects are included in the TIP and STIP, and to receive funds in a timely manner, a cycle should be set up, by the following bodies, that is conducive to, and coordinated with the metropolitan and statewide planning process, by:
      1. States,
      2. MPOs
      3. Designated (grant) recipients,
      4. Public agencies that,
         a. Administer major modes of transportation,
         b. Operate major modes of transportation,

d. Role of Transportation Providers that Receive FTA Funding Under the Urbanized and Other Than Urbanized Formula Programs in the Coordinated Planning Process
   i. Recipients of FTA Section 5307 (urban) grants and FTA Section 5311 (rural) grants are the "public transit" in the public transit – human services transportation plan and their participation is assumed and expected.
      1. Section 5307 – 49 USC 5307 (c)(5) requires that, "Each recipient of a grant shall ensue that the proposed program of projects provides for the coordination of public transportation services . . . with transportation services assisted from other United States Government sources . . ."
      2. Section 5311 – 49 USC 5311 (b)(2)(C)(ii) requires the Secretary of the USDOT to determine that a State's Section 5311 projects, "provide the maximum feasible coordination

of public transportation service . . . with transportation service assisted by other Federal sources."

3. Under the Section 5311 program, States are required to expend 15% of the amount available to support intercity bus service. FTA expects the coordinated planning process to take into account human service needs that require intercity transportation.

U.S. Department
of Transportation

Federal Transit Administration

PROPOSED CIRCULAR

FTA C 9070.1F

Subject: ELDERLY INDIVIDUALS AND INDIVIDUALS WITH DISABILITIES PROGRAM GUIDANCE AND APPLICATION INSTRUCTIONS

1. PURPOSE. This Circular is a reissuance of guidance on the administration of the transit assistance program for elderly individuals and individuals with disabilities under 49 U.S.C. 5310, and guidance for the preparation of grant applications. This revision incorporates provisions of the Safe Accountable, Flexible, Efficient Transportation Equity Act (SAFETEA-LU), and includes the most up-to-date available guidance for the program.

2. CANCELLATION. This circular cancels FTA Circular 9070.1E, "Elderly Individuals and Individuals with Disabilities Program Guidance and Application Instructions," dated October 1, 1998.

3. REFERENCES.

   a. Federal Transit Laws, Title 49, United States Code, Chapter 53.

   b. Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, (SAFETEA-LU) (Pub. L. 109-59).

   c. Additional references will be added at the time the Final Circular is published.

4. WAIVER. FTA reserves the right to waive any requirements of this Circular to the extent permitted by law.

Distribution: FTA Headquarters Offices (T-W-2)
FTA Regional Offices (T-X-2)

OPI: Office of Program Management

CHAPTER V

COORDINATED PLANNING

1. THE COORDINATED PUBLIC TRANSIT-HUMAN SERVICES TRANSPORTATION PLAN. SAFETEA-LU requires that projects selected for funding under the Section 5310, JARC, and New Freedom programs be "derived from a locally developed, coordinated public transit-human services transportation plan" and that the plan be "developed through a process that includes representatives of public, private, and non-profit transportation and human services providers and participation by members of the public." The experiences gained from the efforts of the Federal Interagency Coordinating Council on Access and Mobility, and specifically the United We Ride Initiative, provide a useful starting point for the development and implementation of the local public transit-human services transportation plan required under the Section 5310, Job Access Reverse Commute and New Freedom programs.

2. DEVELOPMENT OF THE COORDINATED PUBLIC TRANSIT-HUMAN SERVICES TRANSPORTATION PLAN.

   a. Overview. A coordinated public transit-human services transportation plan identifies the transportation needs of individuals with disabilities, older adults, and people with low incomes, provides strategies for meeting those local needs and prioritizes transportation services for funding and implementation. Local plans may be developed on a local, regional, or statewide level. The decision as to the boundaries of the local planning areas should be made in consultation with the State, designated recipient and the MPO, where applicable. The agency leading the planning process is decided locally and does not have to be the designated recipient.

   In urbanized areas where there are multiple designated recipients, there may be multiple plans and each designated recipient will be responsible for the competitive selection of projects in the designated recipient's area. A coordinated plan should maximize the programs' collective coverage by minimizing duplication of services. Further, a coordinated plan must be developed through a process that includes representatives of public and private and non-profit transportation and human services transportation providers, and participation by members of the public. Members of the public should include representatives of the targeted population(s) including individuals with disabilities, older adults, and people with low incomes. While the plan is only required in communities seeking funding under one or more of the three specified FTA programs, a coordinated plan should also incorporate activities offered under other programs sponsored by Federal, State, and local agencies to greatly strengthen its impact.

   b. Required Elements. Projects selected for funding must be derived from a locally developed, coordinated public transit-human services transportation plan that minimally includes the following elements at a level consistent with available resources and the complexity of the local institutional environment:

      (1) An assessment of available services that identifies current providers (public, private, and non-profit);

(2) An assessment of transportation needs for individuals with disabilities, older adults, and people with low incomes. This assessment can be based on the experiences and perceptions of the planning partners or on more sophisticated data collection efforts, and gaps in service (Note: If a community does not intend to seek funding for a particular program, (Section 5310, JARC, or New Freedom), then the community is not required to include an assessment of the targeted population in its coordinated plan.);

(3) Strategies and/or activities to address the identified gaps and achieve efficiencies in service delivery; and

(4) Relative priorities for implementation based on resources, time, and feasibility for implementing specific strategies/activities identified.

Note: FTA will consider plans developed before the issuance of final program circulars to be an acceptable basis for project selection for FY 2007 if they meet minimum criteria. Plans for FY 2007 should include 1) an assessment of available services; 2) an assessment of needs; and 3) strategies to address gaps for target populations; however, FTA recognizes that initial plans may be less complex in one or more of these elements than a plan developed after the local coordinated planning process is more mature. Addendums to existing plans to include these elements will also be sufficient for FY 2007. Plans must be developed in good faith in coordination with appropriate planning partners and with opportunities for public participation.

c. Local Flexibility in the Development of a Local Public Transit-Human Services Transportation Plan. The decision for determining which agency has the lead for the development and coordination of the planning process should be made at the State, regional, and local levels. FTA recognizes the importance of local flexibility in developing plans for human service transportation. Therefore, the lead agency for the coordinated planning process may be different from the agency that will serve as the designated recipient. Further, FTA recognizes that many communities have conducted assessments of transportation needs and resources regarding individuals with disabilities, older adults, and/or people with low incomes. FTA also recognizes that some communities have taken steps to develop a comprehensive, coordinated, human service transportation plan either independently or through United We Ride efforts. FTA supports communities building on existing assessments, plans and action items. As all new Federal requirements must be met, however, communities may need to modify their plans or processes as necessary to meet these requirements. FTA encourages communities to consider inclusion of new partners, new outreach strategies, and new activities related to the targeted programs and populations.

Plans will vary based upon the availability of resources and the existence of populations served under these programs. A rural community may develop its plans based on perceived needs emerging from the collaboration of the planning partners, whereas a large urbanized community may use existing data sources to conduct a more formal analysis to define service gaps and identify strategies for addressing the gaps.

This type of planning is also an eligible activity under three other FTA programs – the Metropolitan Planning (Section 5303), Statewide Planning (Section 5304), and Urbanized Area Formula (Section 5307) programs, all of which may be used to leverage the limited (10%) planning and administration funding under this program.

d. Tools and Strategies for Developing a Coordinated Plan. States and communities may approach the development of a coordinated plan in different ways. The amount of available time, staff, funding, and other resources should be considered when deciding on specific approaches. The following is a list of potential strategies for consideration.

(1) Community planning session. A community may choose to conduct a local planning session with a diverse group of stakeholders in the community. This session would be intended to identify needs based on personal and professional experiences, identify strategies to address the needs, and set priorities based on time, resources, and feasibility for implementation. This process can be done in one meeting or over several sessions with the same group. It is often helpful to identify a facilitator to lead this process. Also, as a means to leverage limited resources and to ensure broad exposure, this could be conducted in cooperation, or coordination, with the applicable metropolitan or statewide planning process.

(2) Self-assessment tool. *The Framework for Action: Building the Fully Coordinated Transportation System*, developed by FTA and available at www.unitedweride.gov, helps stakeholders realize a shared perspective and build a roadmap for moving forward together. The self-assessment tool focuses on a series of core elements that are represented in categories of simple diagnostic questions to help groups in states and communities assess their progress toward transportation coordination based on standards of excellence. There is also a *Facilitator's Guide* that offers detailed advice on how to choose an existing group or construct an ad hoc group. In addition, it describes how to develop elements of a plan, such as identifying the needs of targeted populations, assessing gaps and duplications in services, and developing strategies to meet needs and coordinate services.

(3) Focus groups. A community could choose to conduct a series of focus groups within communities that provides opportunity for greater input from a greater number of representatives, including transportation agencies, human service providers, and passengers. This information can be used to inform the needs analysis in the community. Focus groups also create an opportunity to begin an ongoing dialogue with community representatives on key issues, strategies, and plans for implementation.

(4) Survey. The community may choose to conduct a survey to evaluate the unmet transportation needs within a community and/or available resources. Surveys can be conducted through mail, e-mail, or in–person interviews. Survey design should consider sampling, data collection strategies, analysis, and projected return rates. Surveys should be designed taking accessibility considerations into account, including

alternative formats, access to the internet, literacy levels, and limited English proficiency.

(5) Detailed study and analysis. A community may decide to conduct a complex analysis using inventories, interviews, GIS mapping, and other types of research strategies. A decision to conduct this type of analysis should take into account the amount of time and funding resources available, and communities should consider leveraging State and MPO resources for these undertakings.

3. PARTICIPATION IN THE COORDINATED PUBLIC TRANSIT-HUMAN SERVICES TRANSPORTATION PLANNING PROCESS. SAFETEA-LU requires recipients to certify that the coordinated plan was developed through a process that included representatives of public, private, and non-profit transportation and human services providers, and participation by members of the public. Note that the required participants include not only transportation providers but also providers of human services, and members of the public (e.g., individuals with disabilities, older adults, and individuals with low incomes) who can provide insights into local transportation needs. It is important that stakeholders be included in the development and implementation of the local coordinated public transit-human services transportation plan. The following possible strategies facilitate appropriate inclusion:

a. Adequate Outreach to Allow for Participation. Outreach strategies and potential participants will vary from area to area. Potential outreach strategies could include notices or flyers in centers of community activity, newspaper or radio announcements, e-mail lists, Web postings, and invitation letters to other government agencies, transportation providers, human services providers, and advocacy groups. Conveners should note that not all potential participants have access to the Internet and they should not rely exclusively on electronic communications. It is useful to allow many ways to participate, including in-person testimony, mail, e-mail, and teleconference. Any public meetings regarding the plan should be held in a location and time where accessible transportation services can be made available, and adequately advertised to the general public using techniques such as those listed above. Additionally, interpreters for individuals with hearing impairments and English as a second language and accessible formats (e.g., large print, Braille, electronic versions) should be provided as required by law.

b. Participants in the Planning Process. A key provision of metropolitan and statewide planning under SAFETEA-LU is the requirement for consultation with an expansive list of stakeholders. There is significant overlap between list of stakeholders identified under those provisions (e.g. private providers of transportation, representatives of transit users, and representatives of the disabled) and the organizations that should be involved in preparation of the coordinated plan.

The projects selected for funding under the Section 5310, JARC, and New Freedom programs must be "derived from a locally developed, coordinated public transit-human services transportation plan" that was "developed through a process that includes representatives of public, private, and non-profit transportation and human services

providers and participation by members of the public." The requirement for developing the local public transit-human services transportation plan is intended to improve services for people with disabilities, older adults, and individuals with low incomes. Therefore, individuals, groups and organizations representing these target populations should be invited to participate in the coordinated planning process. Consideration should be given to including groups and organizations such as the following in the coordinated planning process if present in the community:

(1) Transportation partners:

(a) Area transportation planning agencies, including MPOs, States, and local governments;

(b) Public transportation providers (including ADA paratransit providers and agencies administering the projects funded under the FTA urbanized and non-urbanized programs);

(c) Private transportation providers, including private transportation brokers, taxi operators, van pool providers, and intercity bus operators;

(d) Non-profit transportation providers;

(e) Past or current organizations funded under the Section 5310, Job Access and Reverse Commute, and/or the New Freedom programs; and

(f) Human service agencies funding, operating, and/or providing access to transportation services.

(2) Passengers and advocates:

(a) Existing and potential riders, including both general and targeted population passengers (individuals with disabilities, older adults, and people with low incomes);

(b) Protection and advocacy organizations;

(c) Representatives from independent living centers; and

(d) Advocacy organizations working on behalf of targeted populations.

(3) Human service partners:

(a) Agencies that administer health, employment, or other support programs for targeted populations. Examples of such agencies include but are not limited to Departments of Social/Human Services, Employment One-Stop Services; Vocational Rehabilitation, Medicaid, Community Action Programs (CAP), Agency on Aging (AoA); Developmental Disability Council, Community Services Board;

(b) Non-profit human service provider organizations that serve the targeted populations;

(c) Job training and placement agencies;

(d) Housing agencies;

(e) Health care facilities; and

(f) Mental health providers.

(4) Other:

(a) Security and emergency management agencies;

(b) Tribes and tribal representatives;

(c) Economic development organizations;

(d) Faith-based and community-based Organizations;

(e) Representatives of the business community (e.g. employers);

(f) Appropriate local or State officials and elected officials; and

(g) School districts.

Note: Participation in the planning process will not bar providers (public or private) from bidding to provide services identified in the coordinated planning process. This planning process differs from the competitive selection process, and it differs from the development and issuance of an RFP as described in the Common Grant Rule (49 CFR Part 18).

c. Levels of Participation. The suggested list of participants in part 3.b. above does not limit participation by other groups, nor require participation by every group listed. Communities will have different types of participants depending on population and size of community, geographic location, and services provided at the local level. It is expected that planning participants will have an active role in the development, adoption, and implementation of the plan. Participation may remain low even though a good faith effort is made by the lead agency to involve passengers, representatives of public, private, and non-profit transportation and human services providers, and others. The lead agency convening the coordinated planning process should document the efforts they utilized, such as those suggested in (a) above, to solicit involvement.

In addition, Federal, State, regional, and local policy makers, providers, and advocates should consistently engage in outreach efforts that enhance the coordinated process, because it is important that all stakeholders identify the opportunities that are available in building a coordinated system. To increase participation at the local levels from human

service partners, State DOT offices are encouraged to work with their partner agencies at the State level to provide information to their constituencies about the importance of partnering with human service transportation programs and the opportunities that are available through building a coordinated system.

d. Adoption of a Plan. As a part of the coordinated planning process, participants should identify the process for adoption of the plan. A strategy for adopting the plan could also be included in the designated recipient's Program Management Plan further described in Chapter VII.

FTA will not formally review and approve plans. The designated recipient's grant application (see Appendix A) will document the plan from which each project listed is derived, including the lead agency, the date of adoption of the plan, or other appropriate identifying information. This may be done by citing the section of the plan or page references with which the project is derived.

4. RELATIONSHIP TO OTHER TRANSPORTATION PLANNING PROCESSES.

a. Relationship Between the Coordinated Planning Process and the Metropolitan and Statewide Transportation Planning Processes. The coordinated plan can either be developed separately from the metropolitan and statewide transportation planning processes and then incorporated into the broader plans, or be developed as a part of the metropolitan and statewide transportation planning processes. If the coordinated plan is not prepared within the broader process, there should be consistency between the coordinated planning process and metropolitan or statewide planning.

Projects identified in the coordinated planning process, and selected for FTA funding through the competitive selection process must be incorporated into both the TIP and STIP by the MPO in urbanized areas with populations of 50,000 or more; and incorporated into the STIP for nonurbanized areas under 50,000 in population.

The lead agency developing the coordinated plan should communicate with the relevant MPOs or State planning agencies at an early stage in plan development. States with coordination programs may wish to incorporate the needs and strategies identified in local coordinated plans into statewide coordination plans.

Depending upon the structure established by local decision-makers, the coordinated planning process may or may not become an integral part of the metropolitan or statewide transportation planning processes. State and local officials should consider the fundamental differences in scope, time horizon, and level of detail between the coordinated planning process and the metropolitan and statewide transportation planning processes. However, there are important areas of overlap between the planning processes, as well. Areas of overlap represent opportunities for sharing and leveraging resources between the planning processes for such activities as: (1) needs assessments based on the distribution of targeted populations and locations of employment centers, employment-related activities, community services and activities, medical centers, housing and other destinations; (2) inventories of transportation providers/resources, levels of utilization,

duplication of service and unused capacity; (3) gap analysis; (4) any eligibility restrictions; and (5) opportunities for increased coordination of transportation services. Local communities may choose the method for developing plans that best fits their needs and circumstances.

b. Relationship Between the Requirement for Public Participation in the Coordinated Plan and the Requirement for Public Participation in Metropolitan and Statewide Transportation Planning. SAFETEA-LU strengthened the public participation requirements for metropolitan and statewide transportation planning. Title 49 U.S.C. 5303(i)(5) and 5304(f)(3), as amended by SAFETEA-LU, require MPOs and States to engage the public and stakeholder groups in preparing transportation plans, TIPs, and STIPs. "Interested parties" include, among others, affected public agencies, private providers of transportation, representatives of users of public transportation, and representatives of elderly individuals and individuals with disabilities.

   MPOs and/or States may coordinate schedules, agendas, and strategies of the coordinated planning process with metropolitan and statewide planning in order to minimize additional costs and avoid duplication of efforts. MPOs and States must still provide opportunities for participation when planning for transportation related activities beyond the coordinated public transit-human services transportation plan.

c. Cycle and Duration of the Coordinated Plan. At a minimum, the coordinated plan should follow the update cycles for metropolitan transportation plans (i.e., four years in air quality nonattainment and maintenance areas and five years in air quality attainment areas). However, communities and States may update the coordinated plan to align with the competitive selection process based on needs identified at the local levels. States, MPOs, designated recipients, and public agencies that administer or operate major modes of transportation should set up a cycle that is conducive to and coordinated with the metropolitan and statewide planning processes, to ensure that selected projects are included in the TIP and STIP, to receive funds in a timely manner.

d. Role of Transportation Providers that Receive FTA Funding Under the Urbanized and Other Than Urbanized Formula Programs in the Coordinated Planning Process. Recipients of Section 5307 and Section 5311 assistance are the "public transit" in the public transit-human services transportation plan and their participation is assumed and expected. Further, 49 U.S.C. 5307(c)(5) requires that, "Each recipient of a grant shall ensure that the proposed program of projects provides for the coordination of public transportation services…with transportation services assisted from other United States Government sources." In addition, 49 U.S.C. 5311(b)(2)(C)(ii) requires the Secretary of the U.S. DOT to determine that a State's Section 5311 projects "provide the maximum feasible coordination of public transportation service…with transportation service assisted by other Federal sources." Finally, under the Section 5311 program, States are required to expend 15% of the amount available to support intercity bus service. FTA expects the coordinated planning process to take into account human service needs that require intercity transportation.

multiengine airplanes as well as single engine airplanes.

[FR Doc. E6–14735 Filed 9–5–06; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

[Docket No. FTA–2006–24037]

Elderly Individuals and Individuals With Disabilities, Job Access and Reverse Commute, and New Freedom Programs: Coordinated Planning Guidance for FY 2007 and Proposed Circulars

AGENCY: Federal Transit Administration (FTA), DOT.

ACTION: Guidance for FY 2007 implementation; notice of availability of proposed circulars.

SUMMARY: The Federal Transit Administration (FTA) has placed in the docket and on its Web site, proposed guidance in the form of circulars to assist grantees in implementing the Elderly Individuals and Individuals with Disabilities (Section 5310), Job Access and Reverse Commute (JARC), and New Freedom Programs beginning in FY 2007. By this notice, FTA invites public comment on the proposed circulars for these programs. This notice also includes guidance for FY 2007 implementation for the coordinated planning process.

DATES: Comments should be submitted by November 6, 2006. Late-filed comments will be considered to the extent practicable.

ADDRESSES: You may submit comments identified by the docket number [FTA–2006-24037] by any of the following methods:

1. Web Site: *http://dms.dot.gov.* Follow the instructions for submitting comments on the DOT electronic docket site.

2. *Fax:* 202–493–2251.

3. *Mail:* Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, PL–401, Washington, DC 20590–0001.

4. *Hand Delivery:* Room PL–401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Instructions: You must include the agency name (Federal Transit Administration) and Docket number (FTA–2006–24037) for this notice at the beginning of your comments. You should submit two copies of your comments if you submit them by mail. If you wish to receive confirmation that FTA received your comments, you must include a self-addressed stamped postcard. Note that all comments received will be posted, without change, to *http://dms.dot.gov* including any personal information provided and will be available to internet users. You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477) or you may visit *http://dms.dot.gov*. Docket: For access to the docket to read background documents and comments received, go to *http://dms.dot.gov* at any time or to Room PL–401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Henrika Buchanan-Smith or Bryna Helfer, Office of Program Management, Federal Transit Administration, 400 Seventh Street SW., Room 9114, Washington, DC, 20590, phone: (202) 366–4020, fax: (202) 366–7951, or e-mail, *Henrika.Buchanan-Smith@dot.gov; Bryna.Helfer@dot.gov;* or Bonnie Graves, Office of Chief Counsel, Federal Transit Administration, 400 Seventh Street SW., Room 9316, Washington, DC, 20590, phone: (202) 366–4011, fax: (202) 366–3809, or e-mail, *Bonnie.Graves@dot.gov.*

SUPPLEMENTARY INFORMATION:

Table of Contents

I. Overview
II. Guidance for the Coordinated Planning Process for FY 07
III. Chapter-by-Chapter Analysis
A. Chapter I—Introduction and Background
B. Chapter II—Program Overview
C. Chapter III—General Program Information
1. Elderly Individuals and Individuals with Disabilities (Section 5310)
2. Job Access and Reverse Commute (JARC) and New Freedom
D. Chapter IV—Program Development
1. Elderly Individuals and Individuals with Disabilities (Section 5310)
2. Job Access and Reverse Commute (JARC) and New Freedom
E. Chapter V—Coordinated Planning
F. Chapter VI—Program Management and Administrative Requirements
G. Chapter VII—State and Program Management Plans
H. Chapter VIII—Other Provisions
I. Appendices

I. Overview

First, this notice establishes program guidance on how to implement the new coordinated public transit-human services transportation planning requirements for fiscal year 2007 for the Elderly Individuals and Individuals with Disabilities (Section 5310), Job Access and Reverse Commute (JARC), and New Freedom programs. These requirements are based on provisions in the statute as well as issues raised and commented on during the public comment period. The March 15, 2006, **Federal Register** notice provided interim guidance for implementing the Section 5310, JARC and New Freedom programs for fiscal year 2006.

Second, this notice provides summaries of the proposed Section 5310, JARC and New Freedom program circulars on which FTA seeks comment, and responds to comments received in response to the March 15, 2006, **Federal Register** notice. These programs are affected by the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU, Pub. L. 109–59), signed into law on August 10, 2005. The Section 5310 program provides funding, allocated by a formula, to States for capital projects to assist in meeting the transportation needs of older adults and persons with disabilities. The States administer this program. The current Section 5310 circular, developed in 1998, needs to be updated to reflect changes in the law. The JARC program was authorized as a discretionary program under the Transportation Equity Act for the 21st Century (TEA–21, Pub. L. 105–178, June 9, 1998), and changed to a formula program under SAFETEA–LU. The JARC program provides formula funding to States and designated recipients to support the development and maintenance of job access projects designed to transport welfare recipients and eligible low-income individuals to and from jobs and activities related to their employment. The JARC program also supports reverse commute projects designed to transport residents of urbanized areas and other than urbanized areas to suburban employment opportunities. The New Freedom program is newly established in SAFETEA–LU. The purpose of the New Freedom program is to provide new public transportation services and public transportation alternatives beyond those required by the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.*) that assist individuals with disabilities with transportation, including transportation to and from jobs and employment support services.

FTA conducted extensive outreach to develop these proposed circulars. First, FTA held initial listening sessions in Washington, DC in September, 2005. Then, FTA requested comments related to the Section 5310, JARC and New Freedom programs in a notice published

on November 30, 2005 (70 FR 71950), and held listening sessions in five cities around the country. Subsequent to that notice, FTA published in the **Federal Register** on March 15, 2006 (71 FR 13456), proposed strategies for implementing these programs and requested comments on those strategies. In addition, FTA conducted an all-day public meeting on March 23, 2006, and held a number of meetings and teleconferences with stakeholders. To ensure that we heard from a broad range of stakeholders and interested parties we extended the comment period of the March 15, 2006, **Federal Register** notice through May 22, 2006. FTA received more than 200 comments from State departments of transportation, trade associations, public and private providers of transportation services, metropolitan planning organizations (MPOs), individuals and advocates.

This document does not include the proposed circulars; electronic versions of the circulars may be found on the docket, at *http://dms.dot.gov,* docket number FTA–2006–24037, or on FTA's Web site, at *http://www.fta.dot.gov.* Paper copies of the circulars may be obtained by contacting FTA's Administrative Services Help Desk, at (202) 366–4865.

FTA seeks comment on these proposed circulars.

II. Guidance for the Coordinated Planning Process for FY 2007

SAFETEA–LU requires that projects selected for funding be derived from a coordinated public transit-human services transportation plan (''coordinated plan'') beginning in FY 2006 for JARC and FY 2007 for Section 5310 and New Freedom. Based upon comments received from the public, FTA establishes the requirements for implementing these provisions for FY 2007 program participants below.

A number of commenters requested a phased-in approach for building a coordinated plan. Many had concerns that a coordinated plan could take significant time to develop, and asked whether planning agencies could ''show progress'' toward a fully coordinated plan, or simply insert an addendum to update an existing plan, to demonstrate compliance for FY 2007. Some States already started their FY 2007 selection process for Section 5310 funds, and expressed concern that award of those funds could be delayed if they had to go back and create new coordinated plans. Finally, some commenters, responding to FTA's March 15, 2006, proposal that existing JARC plans ''may satisfy the coordinated planning requirement for FY 2006'' asked FTA to affirmatively adopt the position that any JARC plan found sufficient under the FY 2005 requirements will be presumed sufficient for FY 2006.

In response, FTA first notes that projects selected for FY 2007 must be derived from a coordinated plan. FTA agrees with some of the commenters and will consider plans developed before the issuance of final program circulars to be an acceptable basis for project selection if they meet minimum criteria. Plans for FY 2007 should include: (1) An assessment of available services; (2) an assessment of needs; and (3) strategies to address gaps for target populations. FTA recognizes that initial plans may be less complex in one or more of these elements than a plan developed after the local coordinated planning process is more mature. Addendums to existing plans to include these elements will also be sufficient for FY 2007. Plans must be developed in good faith in coordination with appropriate planning partners and with opportunities for public participation. This good faith effort should be documented. JARC plans found sufficient under FY 2005 requirements are considered sufficient for FY 2006; plans for FY 2007 should be developed in good faith with planning partners and include the elements discussed above. Full implementation of the coordinated planning requirements will take effect for projects funded in FY 2008.

FTA recognizes the importance of local flexibility in developing plans for human service transportation and strongly supports communities building on existing assessments, plans, and action items. In some cases, formulation of these assessments, plans and actions may have taken place through, or in coordination with, the applicable metropolitan or statewide planning program. To that end, and as appropriate, FTA encourages consistency between these various planning activities, including public outreach and participation. FTA encourages communities to consider inclusion of new partners, new outreach strategies, and new activities related to the targeted programs and populations.

III. Chapter-by-Chapter Analysis

All three circulars generally follow the same format. Where possible, this notice discusses the chapters in general terms. Where the chapters vary significantly, as in Chapters III and IV, the discussion is specific to each program. This section addresses public comments received in response to the March 15, 2006, notice.

A few commenters thought the proposed guidance was ''too prescriptive;'' however, many commenters commended FTA for its willingness to be flexible in its approach and encouraged FTA to permit as much flexibility as possible at the local level in implementing these programs. FTA believes these proposed circulars provide the flexibility requested while allowing for consistent implementation that will meet the goals of the Federal programs.

A. Chapter I—Introduction and Background

Chapter I is an introductory chapter in all three circulars. This chapter covers general information about FTA and how to contact us, briefly reviews the authorizing legislation for the specific program (*i.e.,* Section 5310, JARC, or New Freedom), provides information about *Grants.gov,* includes definitions applicable to the specific program and provides a brief program history. During our preliminary outreach efforts, FTA did not receive any comments on the information found in Chapter I.

B. Chapter II—Program Overview

Chapter II provides more detail about the programs. This chapter starts with the statutory authority for the specific program, including the Congressionally authorized amount of funding and how the funds are apportioned. The chapter then discusses the goals of the program, followed by the State or recipient's role and FTA's role in program administration. There is a brief overview of how the specific program relates to other FTA programs, and an overview of coordination with other Federal programs through the Federal Interagency Coordinating Council on Access and Mobility. Since this is an ''overview'' chapter, the substance is covered in more detail in later chapters. Therefore, comments relating to information in Chapter II will be discussed in those chapters.

C. Chapter III—General Program Information

Due to the differences in program requirements, the discussion of this chapter is divided by program.

1. Chapter III—Section 5310

FTA first notes that there is an existing Section 5310 Circular, 9070.1E, issued in October, 1998. The final circular, when adopted, will supersede that circular. The proposed circular incorporates changes made to the program as a result of SAFETEA–LU. Significantly, SAFETEA–LU permits the use of up to 10% of Section 5310 funding for expenses related to program administration, planning, and technical

assistance (consistent with FTA's longstanding administrative practice). The law increases coordination requirements and allows the local funding share to include amounts available for transportation from other non-DOT Federal agencies, as well as Federal lands highway funding. SAFETEA–LU also establishes a pilot program that allows seven States to use up to 33% of their Section 5310 funds for operating expenses. FTA issued general guidance for the pilot program in a **Federal Register** notice (70 FR 69201, Nov. 14, 2005) and announced the States selected to participate in a later **Federal Register** notice (71 FR 59101, Feb. 3, 2006). The pilot program is not included in the proposed circular.

Chapter III addresses State agency designation, apportionment of Section 5310 funds, when the funds are available to the States, under what circumstances funds may be transferred, consolidation of grants to insular areas, who is an eligible subrecipient, administrative expenses, eligible capital expenses, and Federal/local match requirements. This information compares to information found in Chapter II of the existing circular.

The sections on State agency designation, apportionment of Section 5310 funds, and consolidation of grants to insular areas remain unchanged from the existing Section 5310 circular. FTA proposes that Section 5310 funds will now be available for obligation for the year of apportionment plus two years, instead of being available only in the year of apportionment. Funds may be transferred to Section 5307 (Urbanized Area Formula Grant) or Section 5311 (Other Than Urbanized Area Formula Grant) program accounts to ease overall program administration; however, funds must be used for projects eligible and selected under Section 5310. Because the funds must be used only for Section 5310 projects, funds will maintain their period of availability under Section 5310. Flexible Federal highway program funds transferred to Section 5310 will also be available for the year of transfer plus two years after the year of transfer.

The current circular allows States to use up to $25,000 or 10% of the State's fiscal year apportionment for administrative costs, whichever is greater, and requires a 20% local share. SAFETEA–LU provides that not more than 10% of Section 5310 funds may be used to administer, plan, and provide technical assistance for funded projects. FTA no longer requires a local share for the administrative funds. The circular provides guidance on how a State may accumulate administrative funds over time for a special administrative need in a subsequent year, as long as the funds are used in the year of apportionment plus two years.

FTA proposes that eligible capital expenses would remain substantially the same as in the existing circular, with the addition of mobility management activities as eligible expenses. The list of eligible activities is illustrative and not exhaustive.

FTA proposes to require compliance with FTA's ''Capital Leases'' regulation, 49 CFR part 639, for leases of capital equipment and facilities financed under the Section 5310 program. When FTA Circular 9070.1E was published in October 1998, FTA's Capital Leases regulation had not been promulgated, but TEA–21 extended cost evaluation regulations to all FTA assisted capital leases. Thus, FTA could only advise States to treat the FTA Capital Leases regulation as ''useful guidelines.'' By December 10, 1998, FTA did promulgate its Capital Lease regulation covering all FTA programs. Consequently, we propose requiring compliance with those regulations. However, we are seeking comments about the implications of doing so and are interested in how those regulations would affect State leasing practices.

Section 5310 projects selected for funding must be derived from a coordinated plan (see Chapter V). Under Federal/local matching requirements, local share may now be derived from other non-DOT Federal programs that are eligible to be expended for transportation, as well as Federal lands highway funding. Examples of such Federal funding include, but are not limited to the Administration on Aging, Medicaid, Temporary Assistance for Needy Families, and Head Start.

One commenter suggested that Section 5310 should be treated as a formula allocation to urbanized areas, instead of having to go through the State DOT, and that the State DOT should continue to administer the rural and small urbanized Section 5310 program. Section 5310 authorizes the Secretary to make grants to States and local governmental authorities under this program. However, unlike JARC and New Freedom, SAFETEA–LU established the State as the recipient for all funds appropriated under Section 5310. FTA makes grants to local governmental authorities for the special needs of elderly individuals and individuals with disabilities under other FTA programs, such as the urbanized area formula program. The statute requires the Secretary to apportion the amounts made available for Section 5310 under a formula that considers the number of elderly individuals and individuals with disabilities in each State. States then determine how to allocate the available funds.

One commenter requested that FTA permit private for-profit bus companies to receive Section 5310 monies. SAFETEA–LU mandates that recipients and subrecipients be one of the following: States, local governmental authorities, or private non-profit agencies. Private for-profit operators are not eligible to receive these funds as subrecipients. For-profit companies are encouraged to participate in the coordinated planning process, however, as local areas may identify ways in which private companies may be able to meet community transportation needs, such as through purchase of service arrangements, an eligible capital expense under the program.

One commenter recommended that Section 5310 funds should not be used for medical assistance transportation. The Section 5310 program funds public transportation capital projects planned, designed, and carried out to meet the special needs of elderly individuals and individuals with disabilities, including medical transportation. States may fund any eligible subrecipient or project.

2. Chapter III—JARC and New Freedom

The JARC and New Freedom programs have similar statutory requirements, so Chapter III, with the exception of Eligible Activities, is the same or similar for each circular. This chapter covers recipient designation, including designation in urbanized areas where there are multiple recipients; the role of the designated recipient; eligible subrecipients; apportionment, availability and transfer of funds; consolidation of grants to insular areas; recipient administrative expenses; eligible activities; and Federal/local matching requirements.

a. Recipient Designation

FTA sought comment on our proposed strategy that the designated recipient for JARC and New Freedom would not have to be the same as the Section 5307 designated recipient. We made this suggestion primarily as a means to resolve any perceived ''conflict of interest'' in the competitive selection process (discussed in Chapter IV).

FTA received a wide range of comments on this proposal. Many commenters felt that the Section 5307 recipient should be the recipient for JARC and New Freedom program funds. Some commenters thought the MPO would make a good designated recipient for these funds, while still others thought the MPO was not equipped to be the designated recipient. (FTA notes

that the MPO is the designated recipient for Section 5307 in some urbanized areas). One commenter noted that the current planning regulations require MPOs to rank, evaluate, and select all regional transportation projects that use Federal transportation funds, therefore, the MPO has significant oversight over the planning and programming process, regardless of who the designated recipient is.

In response, FTA proposes that the designated recipient for JARC and/or New Freedom in urbanized areas over 200,000 in population may be the same as the designated recipient for Section 5307 funds; however, it does not have to be the same designated recipient. The MPO, State, or another public agency may be a preferred choice based on local circumstances. The designation of a recipient should be made by the governor in consultation with responsible local officials and publicly owned operators of public transportation, as required in Section 5307(a)(2). The recipient for JARC and New Freedom funds will apply to FTA for these funds on behalf of subrecipients within the recipient's area. Regardless of whether the JARC and New Freedom recipient is the same as or different than the Section 5307 designated recipient, the governor shall issue new designation of JARC and New Freedom recipient letters. Designations remain in effect until changed by the governor by official notice of redesignation to the appropriate FTA Regional Administrator.

In urbanized areas with populations less than 200,000 and in other than urbanized areas, the State is the designated recipient for JARC and New Freedom funds. The governor designates a State agency responsible for administering the funds and notifies the appropriate FTA regional office in writing of that designation. The governor may designate the State agency receiving Other Than Urbanized Area formula funds (Section 5311) and/or Section 5310 funds to be the JARC and/or New Freedom recipient, or the governor may designate a different agency.

A number of commenters had questions about urbanized areas with more than one designated recipient, and urbanized areas that cross State lines. Nothing precludes the designation of multiple designated recipients. When more than one recipient is designated for a single large urbanized area, the designated recipients must agree on how to divide the single apportionment to the urbanized area and notify FTA annually of the division and the geographic area each recipient will be responsible for managing. For multi-State urbanized areas of less than 200,000 in population, the designated recipient for each State is responsible for that State's portion.

Some commenters asked FTA to clarify the role of the designated recipient in the coordinated planning process (discussed further in Chapter V). FTA proposes that the designated recipient is not directly responsible for developing the coordinated plan, but is responsible for certifying that the projects funded are derived from a coordinated plan, developed in accordance with statutory requirements. The designated recipient or another organization may take the lead in developing the coordinated plan.

b. Apportionment, Availability and Transfer of Funds

Commenters had questions regarding apportionment, availability, and transfer of funds. Specifically, people asked about how geographic boundaries for large urbanized areas are determined, how the formula program works, why some areas that received JARC funds in the past have experienced reductions in funding levels, and why New Freedom funds cannot be transferred from one population area (such as rural) to another population area (such as small urbanized) within a State, since such transfer is permitted under the JARC program.

For funding purposes, urbanized area boundaries are those defined by the U.S. Census Bureau based on the 2000 Census. The Census Bureau, during the decennial census, draws urbanized area boundaries and makes that information available to those areas. For coordinated planning purposes, the decision as to the boundaries of the local planning areas should be made in consultation with the State, designated recipients, and/or the MPO (see Chapter V).

SAFETEA–LU apportions funds for JARC and New Freedom based on a formula that accounts for the number of eligible low-income and welfare recipients (JARC) or individuals with disabilities (New Freedom) in a particular area. For example, if the number of individuals with disabilities over age 5 in a large urbanized area with a population of 200,000 or more equals 5% of the number of individuals with disabilities over age 5 in all such urbanized areas, that urbanized area will receive 5% of the New Freedom funds available for large urbanized areas. Similarly, if the number of low-income individuals and welfare recipients in the rural areas of a State equals 4% of the number of low-income individuals and welfare recipients in all rural areas nationwide, that State will receive 4% of the JARC funds available for rural areas. The annual apportionment is published in the **Federal Register** following the enactment of the annual DOT appropriations act.

Under Section 3037 of TEA–21, JARC projects were selected through a national competition based on criteria specified in the statute. In FY 2000, Congress began designating, in the conference reports accompanying the annual appropriations acts, specific projects and recipients to receive JARC funding. In FY 2005, all JARC funds were allocated to such designated projects and recipients. With the SAFETEA–LU mandate that funds be distributed based on a formula, twenty-three States and the District of Columbia experienced a reduction in funding. Thirty-two States and territories experienced an increase in funding, including seventeen States and territories that did not receive JARC funding in FY 2005. Although SAFETEA–LU repealed Section 3037 of TEA–21 and substituted the new provisions of 49 U.S.C. 5316, those projects designated by Congress under Section 3037, and not yet obligated, remain available to the project. These funds must be obligated under the terms and conditions of Section 3037.

The formula-based JARC program is intended to provide an equitable and stable funding distribution to States and communities. FTA continues to provide maximum flexibility for communities to design plans and projects to meet the transportation needs of low-income individuals and welfare recipients. The process for preparing coordinated plans should be consistent with metropolitan and statewide transportation planning processes.

New Freedom funds cannot be transferred from one population area (such as rural) to another population area (such as small urbanized) within a State. While such a transfer provision is statutorily permitted under the JARC program, this provision is not included in the New Freedom program. Therefore, FTA cannot allow this transfer of funds. Further, funds may not be transferred between the JARC and New Freedom programs; funds must be spent for the program for which they were apportioned except in insular areas. States may, however, transfer JARC and New Freedom funds to Section 5307 or Section 5311(c) to ease program administration, as long as the transferred funds are used for JARC or New Freedom projects, respectively. Transfer requests must be submitted to the appropriate FTA Regional Administrator in writing.

Finally, funds are available for the year of apportionment plus two years. Therefore, if funds cannot be obligated in a grant during the year they are apportioned, they may be carried over for up to two years. Funds not obligated during this period will lapse and be reapportioned by FTA.

c. Recipient Expenses (10%) for Administration, Planning, and Technical Assistance

FTA received comments concerning the use of up to 10% of program funds available for the administration, planning, and technical assistance of Section 5310, JARC and New Freedom programs. These funds may be used directly by the designated recipient or they may be passed through to subrecipients for these purposes. For example, the designated recipient may award grants to local areas to support the development of the coordinated plan. The competitive selection process is part of ''administering'' the programs and, therefore, these funds may be used to conduct the competitive selection process. FTA also notes that non-emergency human services transportation planning is an eligible activity under Sections 5303 and 5304, metropolitan and statewide planning, respectively. Accordingly, local officials could propose coordination planning activities such as market research and service assessment to the State and/or MPO for inclusion in their transportation planning work programs.

Several commenters expressed concern that 10% of the amount apportioned may not be sufficient to administer the program. FTA notes that there is no local match requirement for this funding, and proposes that recipients may ''pool'' the administrative funding available under Section 5310, JARC, and New Freedom in order to develop a single coordinated plan to meet the needs of persons with disabilities, older adults, and low-income individuals. Further, FTA treats the limitation on administrative funds as applicable to funds apportioned to recipients over time, not necessarily to the apportionment for a particular fiscal year. A recipient may accumulate the ''entitlement'' to administrative funds for the year of apportionment plus two years to augment the funds available for a special administrative need in a subsequent year.

Some commenters expressed interest in using ''mobility management'' funds to develop the coordinated plan. Mobility management is an eligible expense under Section 5310, JARC, and New Freedom, and includes project planning activities. However, as with all JARC and New Freedom projects, any planning project under mobility management must be derived from the coordinated plan and must be competitively selected. Therefore, mobility management funds may not be used to develop the required coordinated plan.

Finally, one commenter expressed a preference for being able to apply only for the 10% administration funds, and then amend grants later to fund project implementation, rather than funding the administration and planning under pre-award authority with reimbursement after total obligation. FTA agrees that designated recipients may apply for the administrative funds allowed under the program in advance of selecting projects in order to support the planning and selection process.

d. JARC Eligible Activities

SAFETEA–LU requires that JARC projects selected for funding be derived from a coordinated plan (see Chapter V) and that grants will be awarded on a competitive basis (see Chapter IV). Funds are available for capital, planning, and operating expenses that support the development and maintenance of transportation services designed to transport low-income individuals to and from jobs and activities related to their employment. The list of proposed eligible projects included in the circular is consistent with the use of funds described in FTA's April 8, 2002, **Federal Register** notice for JARC Program Grants (67 FR 16790). As requested by commenters, this list of eligible activities is illustrative, not exhaustive.

FTA sought comment on whether transit passes should be an eligible expense under JARC. Commenters generally agreed that purchase of passes, rather than simply the promotion of voucher programs, should be an eligible expense. FTA proposes, however, that the purchase of transit passes for use on fixed route or ADA paratransit is not an eligible expense. The purchase of transit passes does not meet the overall program objective of adding new and expanded transportation capacity to connect low-income persons to jobs and employment services. Because the amount of funding available for JARC is limited, FTA believes it is more appropriate to spend those limited dollars on increasing service capacity. Further, a number of Federal programs are available to pay for transit passes for low-income workers, including the Temporary Assistance for Needy Families (TANF) program and Workforce Investment Act funds. Promotion of transit pass programs, however, remains an eligible expense. FTA proposes that vouchers could be used to fund alternative transportation services, such as mileage reimbursement as part of a volunteer driver program, taxi trips, or trips provided by human service agencies.

FTA also sought comment on whether ''non-traditional'' public transportation options, including, but not limited to, car loan or ownership programs and shared-use station cars, should be eligible activities under the JARC program. Commenters generally support these options, but some expressed concern that it is difficult or impossible to monitor ''shared-use'' of cars purchased through car loan programs. Programs that support loans for the purchase of vehicles will continue to be eligible for JARC funding, as will transit-related bicycling facilities. Shared station cars—cars available for shared use and located at subway or other public transit stations—are not listed in the examples of eligible activities. While there may be limited circumstances when the provision of a shared station car might be appropriate to support access to short-term job related activities, such as interviews, FTA does not believe that purchase of shared station cars is generally appropriate to support daily commutes.

Commenters agreed with FTA's proposal that existing JARC projects would continue to be eligible for funding, and some thought it would be appropriate to prioritize continuing JARC projects for funding. FTA believes this should be a local decision made through the planning process.

Commenters suggested that telework expenses should be eligible for JARC. In response, FTA notes the purpose of the JARC program is to expand capacity of transit systems, and enable people to travel to their places of employment. Telework activities are not consistent with the overall objective of the program. Further, there are other Federal programs supporting telework activities, such as the Department of Education's Access to Telework program, which helps persons with disabilities have access to low-interest loans to purchase equipment to enable them to work from home.

e. New Freedom Eligible Activities

In the March 15, 2006, **Federal Register** notice, FTA proposed that ''new public transportation services'' and ''public transportation alternatives beyond those required by the Americans with Disabilities Act (ADA)'' be considered separate categories of service. Most commenters supported that interpretation of the statute. In addition, many commenters wanted FTA to encourage creative uses of these funds to remove barriers to people with

disabilities. FTA also received comments regarding the limited availability of funds and congressional intent for implementing this program. FTA therefore proposes that projects eligible for New Freedom funds will be those that are ''new public transportation services that are beyond the ADA'' and ''new public transportation alternatives that are beyond the ADA.'' Projects that do not meet both criteria—new and beyond the ADA—are not eligible under the proposed guidance. Projects proposed by FTA as eligible in the March 15, 2006, notice that do not meet both criteria include existing paratransit enhancements and new or expanded fixed route service. FTA initially proposed including expansion of fixed route service as an eligible activity, especially in rural areas, because there are significant transit needs in some areas. Since this service is not beyond the ADA, it is not included as an eligible activity in the proposed guidance. FTA notes, however, that the Section 5311 program funding increased almost two-fold following the enactment of SAFETEA–LU, so those communities have an alternative funding source to meet those needs.

In the March 15, 2006, **Federal Register** notice, FTA also proposed that ''new'' service would be limited to those projects not already included in a Transportation Improvement Plan (TIP) or a State Transportation Improvement Plan (STIP) as of August 10, 2005, the date SAFETEA–LU was signed into law. FTA received mixed comments on this proposal, and some requested clarification. FTA proposes that a ''new'' service is any service or activity that was not operational on or before August 10, 2005, and did not have an identified funding source as of August 10, 2005, as evidenced by inclusion in the TIP or STIP. In other words, if not for New Freedom funding, these projects would not have consideration for funding and proposed service or facility enhancements would not be available for individuals with disabilities. FTA notes that inclusion of projects in the metropolitan or statewide long-range transportation plans does not constitute a funding commitment. However, once a project is included in the TIP/STIP, it has an identified funding source. Therefore, FTA proposes that projects identified in a long-range metropolitan or statewide plan may be eligible for New Freedom funding, but not projects in the 4-year program period of the TIP/STIP. FTA proposes a maintenance of effort provision in the circular: recipients or subrecipients may not terminate paratransit enhancements or other services funded as of August 10, 2005, or remove facility improvements from the TIP/STIP in an effort to reintroduce the service as ''new'' and then receive New Freedom funds for those services.

Some commenters requested that specific types of projects should be eligible for New Freedom funding, including way-finding technology and one-stop service centers. FTA proposes that both of these projects could be eligible if included as part of the coordinated planning process. One-stop service centers may be eligible under mobility management activities. The list of eligible activities in the proposed circular is illustrative, not exhaustive.

FTA proposed in the March 15, 2006, **Federal Register** notice that administration of voucher and transit pass programs would be eligible expenses, but not the purchase of the vouchers themselves. Commenters generally agreed that purchase of passes, rather than simply the administration of voucher programs, should be an eligible expense. Some commenters offered the importance of using vouchers as an administrative mechanism to support volunteer driver and taxi programs. For this reason, FTA proposes that vouchers could be used to fund alternative transportation services, such as mileage reimbursement as part of a new volunteer driver program, or new trips provided by human service agencies. Because projects must be both new and beyond the ADA, and because of the limited funding available, FTA proposes that the purchase of transit passes for use on fixed route or ADA paratransit is not an eligible expense.

Some commenters disagreed with FTA's assessment that door-to-door paratransit service is not beyond the ADA. However, the ADA regulation requires ''origin-to-destination'' service and the preamble to the regulation states that the decision to provide curb-to-curb or door-to-door service is a local decision. 56 FR 45604; Sept. 6, 1991. In addition, guidance issued by the U.S. DOT on September 1, 2005, reiterated the ''origin-to-destination'' language and noted that, ''service may need to be provided to some individuals, or at some locations, in a way that goes beyond curb-to-curb service.'' Other commenters were concerned that door-through-door service creates liability for the paratransit operator. FTA does not propose that operators must provide door-through-door service; it is simply one option that is considered an eligible activity for New Freedom funds.

FTA received a few comments on its proposal to permit station improvements as eligible for New Freedom funding. Some commenters felt that because the amount of money available is limited, it would not be appropriate to use an entire year's apportionment on one project. This is a local decision. Another commenter felt that economies of scale could be realized if a second (redundant, not required) elevator were installed at the time of a planned station renovation. FTA proposes that New Freedom funds may be used to improve accessibility at existing transportation facilities, so long as the projects are clearly intended to remove barriers that would otherwise have remained, and are not projects that are part of an already planned station renovation or alteration. FTA agrees that installing redundant, not required accessibility improvements at the time of renovation may result in economies of scale and therefore proposes that these redundant improvements would be eligible for New Freedom funds.

One commenter asked FTA to clarify that a designated recipient's decision to fund pedestrian improvements near bus stops, such as curb cuts, would not obligate New Freedom or other transit funding to fund all such improvements. While New Freedom funds should not supplant other funding sources, this type of activity is eligible under New Freedom if an accessible path of travel has been identified as a barrier for using fixed route transportation. However, if Federal highways or other funds are available for pedestrian improvements, those funds should be used first. The decision to fund a particular pedestrian improvement with New Freedom funds does not shift the responsibility for such improvements to transit operators.

f. Federal/Local Match Requirements

A grant for a capital project under the Section 5310, JARC and New Freedom programs may not exceed 80% of the net cost of the project. A grant for operating costs under these programs may not exceed 50% of the net operating costs of the project. Finally, a grant for administrative expenses incurred by these programs (up to 10% of the annual apportionment), may be fully funded by FTA. The proposed circular lists the potential sources of local funding match, including other Federal programs that provide funding for transportation. The sliding scale match available for Section 5310 (related to States with large Federal land areas) does not apply to the JARC or New Freedom program funds. As we stated in the March 15, 2006, notice, fare box revenue generally must be subtracted from gross project costs and is not eligible to be used as local funding match.

D. Chapter IV—Program Development

Due to the differences in program requirements, the discussion of this chapter is divided by program.

1. Chapter IV—Section 5310

Chapter IV provides an overview of planning requirements (described in further detail in Chapter V); describes the program of projects (POP), including the approval of and revisions to the POP; and describes pre-award authority, labor protections, and when public hearings are required. This information compares to information found in Chapter III of the existing Section 5310 Circular 9070.1E.

FTA did not receive any substantive comments on the issues addressed in this chapter.

Note: coordinated planning comments are addressed in Chapter V.

Thus, FTA proposes only minor changes to this chapter. First, the planning requirements now reference the coordinated plan required under SAFETEA–LU. Second, the existing circular states that grants are awarded on a quarterly release cycle; the new circular reflects FTA's current commitment to promptly process grants upon receipt of a complete and acceptable grant application. Third, under ''Revisions to Program of Projects,'' FTA proposes a new paragraph for when grant revisions need to be made in FTA's Transportation Electronic Award and Management (TEAM) system. And fourth, the ''Public Hearing'' section clarifies and provides the statutory authority regarding public hearing requirements.

2. Chapter IV—JARC and New Freedom

The JARC and New Freedom programs have the same statutory requirements for the areas covered by this chapter, so Chapter IV is the same for both circulars. This chapter provides a summary of the planning and coordination requirements (described in further detail in Chapter V); describes the competitive selection process and what constitutes a fair and equitable distribution of funds; describes the program of projects (POP), including approval of and revisions to the POP; and addresses certifications and assurances and pre-award authority.

This chapter proposes guidance on how a designated recipient should conduct the competitive selection process. Most of the comments FTA received on this topic related to which agency should be the designated recipient for JARC and New Freedom funds, discussed in Chapter III. A number of commenters continue to be concerned that a ''conflict of interest'' exists when the designated recipient both conducts the competitive selection process and competes for projects. FTA notes, however, that in large urbanized areas, the process must be conducted in cooperation with the MPO, which should provide some degree of assurance that any potential conflict of interest is thus mitigated. Also, FTA proposes that while the designated recipient is responsible for conducting the process, it may, if it chooses, establish alternative arrangements to administer and conduct the competitive selection process.

Some commenters requested that FTA require the proposed strategies FTA suggested for competitive selection rather than simply recommend them; others preferred that the strategies remain recommendations, allowing local designated recipients to determine the best way to conduct the competitive selection process. FTA agrees that the strategies should be suggestions only, in order to allow designated recipients the flexibility to determine what will work best in their community.

A number of commenters requested clarification of what is actually competed. The law requires that designated recipients and States conduct a ''solicitation for applications for grants to the recipient and subrecipients under [the JARC and New Freedom programs].'' 49 U.S.C. 5316(d), 49 U.S.C. 5317(d). Recipients and subrecipients seeking grants are required to submit an application to the designated recipient, which then evaluates and selects the final set of projects for funding. In the proposed circulars, FTA provides a number of examples that should help to clarify the competitive selection process. These examples support the concept that the competitive selection process is locally driven, taking into account local dynamics and funding levels.

Some commenters wondered if JARC and New Freedom projects could be multi-year projects, and if so, if there is a limitation on the duration of multi-year projects. FTA proposes that competition for projects be conducted annually or at intervals not to exceed two years. This proposal would permit the selection of multi-year projects as long as they are derived from the coordinated planning process.

Commenters were also concerned that the incumbent provider might have an advantage solely because it is the provider of services. Others wanted assurance that their presence at the coordinated planning table would not preclude them from competing for projects. In response, FTA proposes that the designated recipient will set the criteria for selection of projects, and a provider's participation in the local planning process will not preclude that provider from competing for projects.

A few commenters requested clarification on what constitutes a ''fair and equitable'' distribution of funds. FTA notes that equitable distribution refers to equal access to, and equal treatment by, a fair and open competitive process. The result of such a process may not be an ''equal'' allocation of resources among projects or communities. It is possible that some areas may not receive any funding at the conclusion of the competitive selection process. A successful competitive selection process will, however, minimize perceptions of unfairness in the allocation of program resources.

The rest of this chapter addresses the program of projects. The language is consistent with the proposed Section 5310 circular.

E. Chapter V—Coordinated Planning

The Section 5310, JARC, and New Freedom programs all require the development of a locally developed, coordinated public transit-human services transportation plan (''coordinated plan''). Each of the circulars for these three programs has the same requirements for coordinated planning; therefore, Chapter V is identical in all three circulars. This chapter includes the proposed definition of a coordinated plan, how a coordinated plan is developed, the level of public participation that is expected and strategies for inclusion, and the relationship of the coordinated plan to other planning processes.

Some commenters suggested that FTA's coordinated planning process would be stronger if the circulars were issued jointly with other Federal agencies such as the U.S. Department of Health and Human Services. At the very least, suggested one commenter, acknowledgment and support from those Federal agencies whose involvement is deemed critical to the success of a coordinated planning process should be included.

As stated in our March 15, 2006, notice, FTA is committed to working with our Federal partners through the United We Ride initiative and the Federal Interagency Coordinating Council on Access and Mobility (CCAM) to encourage agencies that receive Federal funding to participate in the coordinated planning process. In the 2005 Report to the President, CCAM outlined five recommendations for future action related to coordinated human services transportation. These

recommendations include two policy statements currently under review by CCAM members related to coordinated planning and vehicle sharing. Once approved and adopted by CCAM, CCAM will work with each member Department to implement the policy statements that build participation in coordinated human transportation services at the local level. In addition to these efforts, FTA encourages State DOT offices to work closely with their partner agencies and local governmental officials to educate policy makers about the importance of partnering with human services transportation programs and the opportunities that are available when building a coordinated system.

Some commenters thought the definition of a coordinated plan, proposed in the **Federal Register** notice of March 15, 2006, was too expansive. As a result, FTA proposes to modify the definition of a coordinated plan as follows: ''a coordinated public transit-human services transportation plan identifies the transportation needs of individuals with disabilities, older adults, and people with low incomes, provides strategies for meeting those local needs, and prioritizes transportation services for funding and implementation.''

FTA received comments both in support of and in opposition to the development of one plan or multiple plans for separate populations. The intent of building a coordinated plan is to build efficiencies in order to enhance transportation services; therefore, FTA proposes that communities will develop one coordinated plan. The benefit of enhancing coordinated transportation service systems is to break down the ''silo'' transportation systems that often only address the transportation needs of one specific group of riders. Coordination can help provide more rides with the same dollars by minimizing service duplication and filling service gaps. SAFETEA–LU provides the ''table'' for all stakeholders, including services funded through other sources, to build a coordinated plan and ultimately a service delivery system that addresses the needs of target populations. While there may be some unique needs of each target population, the functional transportation needs of the three populations are often more similar than dissimilar. Even when unique needs exist, they are often associated with at least one or more subsets of the population. If a community does not intend to seek funding for a particular program, (Section 5310, JARC or New Freedom), then the community does not need to include those projects in its coordinated plan.

Many commenters stated the elements of a coordinated plan and the requirements for developing the plan should be based on the size of a community and should remain flexible at the local level. In response to these comments, FTA proposes a variety of approaches for the development of a coordinated plan that lend themselves to local scenarios. FTA also recognizes the importance of local flexibility in developing plans for human service transportation and strongly supports communities building on existing assessments, plans and action items. However, all plans must meet the new requirements, and therefore communities may need to consider inclusion of new partners, new outreach strategies, and new activities related to the targeted programs and populations.

Commenters also expressed support for and opposition to the specific elements proposed for the coordinated plan. In response to comments, FTA proposes that a coordinated plan includes the following elements:

(a) An assessment of available services that identifies current providers (public, private, and nonprofit);

(b) An assessment of transportation needs for individuals with disabilities, older adults, and people with low incomes. This assessment may be based on the experiences and perceptions of the planning partners or on more sophisticated data collection efforts, and gaps in service;

(c) Strategies and/or activities to address the identified gaps and achieve efficiencies in service delivery; and

(d) Relative priorities for implementation based on resources, time, and feasibility for implementing specific strategies/activities identified.

Local plans may be developed on a local, regional, or statewide level. The decision as to the boundaries of the local planning areas should be made in consultation with the State, designated recipients, and/or the MPO. Commenters sought clarification of which agency should be the lead agency for developing the plan. Some commenters asked FTA to clarify the role of the designated recipient in the coordinated planning process. FTA proposes that the agency leading the planning process would be decided locally; the designated recipient or an agency or organization other than the designated recipient may take the lead in developing the coordinated plan. The designated recipient is not directly responsible for developing the coordinated plan, but is responsible for certifying that projects were derived from a coordinated plan, developed in accordance with statutory requirements.

Some commenters thought the proposed coordinated planning activities outlined in the March 15, 2006, notice would require additional resources beyond those available through the 10% of administrative funds available from the recipient's apportionment. Several of the strategies outlined in Chapter V offer approaches that may be done with a range of resources based on local interest and need. Further, FTA proposes that administrative funds for the coordination strategies discussed in Chapter V may be supplemented with Sections 5303 and 5304 Metropolitan Planning and Statewide Planning funds, as well as, Section 5307 formula funds and administrative funding available under Section 5311.

Several commenters thought the proposed guidance for prioritizing services discussed in the March 15, 2006, notice required further consideration and clarification. FTA suggests in the proposed circulars that communities will develop priorities for implementation based on resources, time, and feasibility for implementing specific strategies/activities within the plan. Also, these projects will need to be included in the applicable long-range plans and TIPs/STIPs to be eligible to receive funding under Section 5310, JARC and New Freedom. Therefore, FTA encourages coordination and consistency between local coordination planning and metropolitan/statewide planning processes.

A number of commenters expressed the importance of full participation from public and private transportation providers, human service providers, and individuals with disabilities, older adults, and people with low incomes. FTA's suggested list of diverse participants, however, recognizes that stakeholders will vary by community, and therefore requires, at a minimum, evidence of outreach to stakeholders, including customers of transportation services (e.g., people with disabilities, older adults, individuals with low incomes). FTA also clarifies that participation in the planning process will not bar providers (public or private) from bidding to provide services identified in the coordinated planning process. FTA also notes that SAFETEA–LU expanded the range of public participation and stakeholder consultation requirements of metropolitan and statewide transportation planning—both in the activities to be performed and in the stakeholder groups to be involved. For this reason, FTA encourages consistency

between the local coordination planning process and the applicable metropolitan or statewide planning process.

Since Section 5310 projects are managed and selected at the State level, several commenters requested further clarification on integrating the needs for the Section 5310 program into the coordinated plan in urbanized areas. In this case, communities applying for Section 5310 funding from the State will have to demonstrate that the proposed activities are derived from a coordinated plan.

Commenters were also interested in how they could participate in the adoption of the plan. FTA proposes that as a part of the coordinated planning process, participants should identify the process for adoption of the plan at the local level. This lends itself to local flexibility and decision making. In reference to comments regarding the need for increased oversight and evaluation of plans, FTA will not formally review and approve plans. However, the designated recipient's grant application will require documentation of the plan from which each project listed is derived, including the lead agency, the date of adoption of the plan, or other appropriate identifying information.

FTA received comments on the relationship between the coordinated planning process and other transportation planning processes. FTA proposes that the coordinated plan can be developed either separately from the metropolitan and statewide transportation planning processes and then incorporated into the broader plans, or be developed as a part of the metropolitan and statewide transportation planning processes. In either case, the MPO or State is responsible for incorporating the projects selected from a coordinated plan into the metropolitan and statewide transportation plans, TIPs, and STIPs. States with coordination programs may wish to incorporate the needs and strategies identified in local coordinated plans into statewide coordination plans. FTA proposes that, depending upon the structure established by local decision-makers, the coordinated planning process may or may not become an integral part of the metropolitan or statewide transportation planning processes. Regardless of who leads the local coordination planning process, FTA encourages a basic level of coordination and general consistency between these planning processes.

Most commenters were in agreement with the cycle and duration of the coordinated plan presented in the March 15, 2006, notice. However, FTA has revised this section somewhat, and proposes that communities and States may update the coordinated plan to align with the competitive selection process based on needs identified at the local level. This allows communities and States to set up a cycle that is conducive to their own planning and competitive selection process.

Commenters requested clarification about the certification of the local planning process. As previously stated, the designated recipient's grant application will require documentation of the plan from which each project listed is derived, including the lead agency, the date of adoption of the plan, or other identifying information.

F. Chapter VI—Program Management and Administrative Requirements

Chapter VI provides more details for States and direct recipients on how to manage the administrative aspects of the three grant programs, and is similar for all three programs. FTA notes that Chapter VI in the proposed circulars is largely a reorganization of the Program Management chapter in the current Section 5310 Circular 9070.1E (Chapter V). The proposed chapter starts by noting that the basic grant management requirements for State and local governments are contained in the U.S. DOT regulations, ''Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,'' 49 CFR Part 18, and ''Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations,'' 49 CFR Part 19, which are collectively referred to as the ''common grant rule.'' Chapter VI provides summary information about certain aspects of the common grant rule, and how management of those aspects may be applied to these three programs. Chapter VI also notes that more detailed information about general program and grant management is found in FTA Circular 5010.1C, ''Grant Management Guidelines.''

The common grant rule allows States to use slightly different standards for the establishment of equipment management, procurement, and financial management systems than are required for other FTA recipients. Therefore, throughout Chapter VI, distinctions are made between the requirements for States and other designated recipients. In addition, the proposed Section 5310 circular has a section on leasing vehicles that is specific to that program.

The general requirements of Chapter VI are common to all FTA programs, and FTA received few comments relating to this chapter. One commenter noted that there is confusion at the State level as to whether non-FTA funded rides ''count'' when determining vehicle use tests that allow for vehicle replacement, and whether State, local and Federally-funded rides should all be counted toward vehicle replacement. In response, FTA notes that useful life standards for vehicles are based upon age and mileage, not on the number of rides. All transit-related miles count toward the end of life requirement, and FTA assumes that all vehicle mileage has been accumulated in transit service. Further, FTA notes that States are permitted to establish their own useful life standards for vehicle replacement, use their own procedures to determine fair market value at the time of disposition, and develop their own policies and procedures for maintenance and replacement of vehicles.

Chapter VI describes Reporting Requirements for States and designated recipients. FTA is interested in capturing overall program measures to be used with the Government Performance Results Act and the Performance Assessment Rating Tool process for the U.S. Office of Management and Budget (OMB), and so is proposing program measures for each program, to be reported annually. These performance measures are different for each program.

FTA received a range of diverse comments relating to performance measures. While many commenters noted the importance of measurement, evaluation, and oversight, others said that measurements specific to performance evaluation should be determined at the local level. The Government Performance and Results Act of 1993 requires all Federal agencies to develop performance measures for each specific program based on Federal program goals and objectives. Therefore, while individual communities have the option to include evaluation strategies for their own activities, in response to public comment, FTA proposes specific performance measures for the Section 5310, JARC, and New Freedom programs. We seek comment on these proposals.

Under the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501, *et seq.*), Federal agencies must obtain approval from OMB for each collection of information they conduct, sponsor, or require through regulations. FTA has OMB approval numbers for current data collection requirements for JARC and

Section 5310, however, the data collection requirements could change if the performance measures are implemented as drafted in the proposed circulars. We invite comments to inform our next submissions to OMB, and invite comments on the reporting requirements for New Freedom.

G. Chapter VII—State and Program Management Plans

FTA requires States and designated recipients responsible for implementing the Section 5310, JARC, and New Freedom (and Section 5311) programs to document their approach to managing the programs. Chapter VII proposes guidance on how to create and use State Management Plans (for the State-managed aspects of the programs), and Program Management Plans (for designated recipient-managed aspects of the programs). The primary purposes of Management Plans are to serve as the basis for FTA management reviews of the program, and to provide public information on the administration of the programs. FTA notes that Chapter VII in the proposed circulars is largely a restatement of the State Management Plan chapter in the current Section 5310 Circular 9070.1E (Chapter VII). The proposed chapter includes FTA's intention to make designated recipients of the JARC and New Freedom programs subject to management reviews.

In all three program circulars, the first two parts of Chapter VII explain the general requirements and purpose of Management Plans. The third part, ''Reviews,'' differs slightly among the programs. The Section 5310 circular discusses only State Management Reviews (as it is an entirely State-managed program), while the JARC and New Freedom circulars discuss reviews at both the State and designated recipient level. The Reviews part of Chapter VII is an addition to the current Section 5310 circular.

The fourth part of Chapter VII discusses the content of Management Plans. The suggested content of State and Program Management Plans is essentially identical in all three circulars, but the Section 5310 circular reflects the fact that Section 5310 is entirely State administered. Management Plans are to include a section on use of the 10% of the apportionment available for administration and technical assistance, and a description of how the State or designated recipient makes additional resources available to local areas.

The State Management Plan content for Section 5310 remains largely as it is written in the current circular. Two sections have been added regarding the use of the 10% for administration, planning and technical assistance, and transfer of funds, consistent with the sections in the new proposed circulars.

The final part of Chapter VII, which discusses revisions to the Management Plan, is the same for all three circulars, and mirrors the language in the existing Section 5310 circular.

FTA received only one comment on Chapter VII material, asking what type of oversight will be applied in areas with population under 200,000. In response, FTA notes that in areas under 200,000 in population, the programs are all exclusively State-managed. Therefore, the State Management Plan and State Management Review will be used for oversight in these areas.

H. Chapter VIII—Other Provisions

This chapter is an expansion of the current ''Other Provisions'' chapter in the existing Section 5310 circular, and is virtually the same for all three circulars. Chapter VIII summarizes a number of FTA-specific and other Federal requirements that FTA grantees are held to in addition to the program-specific requirements and guidance provided in these circulars. This chapter explains some of the most relevant requirements and provides citations to the actual statutory or regulatory text. Grantees should use this document in conjunction with FTA's ''Master Agreement'' and the current fiscal year ''Certifications and Assurances'' to assure that they have met all requirements. Grantees may contact FTA Regional Counsel for more detail about these requirements.

I. Appendices

The Appendices sections for the Section 5310, JARC, and New Freedom programs are intended as tools for developing a grant application. Appendix A specifically addresses steps and instructions for preparing a grant application, including pre-application and application stages. Appendix A also includes an application checklist and information for registering with the Electronic payment system (ECHO). Appendix B includes a sample program of projects. For the Section 5310 circular, Appendix C provides contact information for FTA's regional offices, and Appendix D provides technical assistance information. In the JARC and New Freedom circulars, Appendix C includes budget information and provides specific activity line item (ALI) codes for specific types of eligible costs (i.e., capital, operating, planning, etc.). A sample approved budget is included in Appendix D. Appendix E provides contact information for each of FTA's 10 regional offices.

Appendix D in Section 5310 and Appendix F in the JARC and New Freedom circulars list potential sources of technical assistance. A number of commenters identified a need to have technical assistance available to specific types of service providers, including public and private transportation providers, MPOs, and human service agencies. Commenters also expressed a need for technical assistance and training relative to the coordinated planning process. FTA supports a wide range of technical assistance and training initiatives that are available to service providers and members of the public. Each of the technical assistance activities is outlined in Appendix F.

Issued in Washington, DC, this 30th day of August, 2006.

James S. Simpson,

Administrator.

[FR Doc. E6–14733 Filed 9–5–06; 8:45 am]

BILLING CODE 4910–57–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34921]

Intermountain Railroad LLC—Acquisition and Operation Exemption—Line of Wyoming and Colorado Railroad Company, Inc.

Intermountain Railroad LLC, (IMR),[1] a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire and operate a rail line from Wyoming and Colorado Railroad Company, Inc., extending between milepost 0.57 and approximately milepost 1.07, near Walcott, a distance of approximately 0.5 miles, in Carbon County, WY.

IMR certifies that its projected revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier.

IMR stated that the parties intended to consummate the transaction no earlier than on August 14, 2006 (the effective date of the exemption).

If the verified notice contains false or misleading information, the exemption is void *ab initio.* Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance

[1] IMR is a wholly owned subsidiary of Intermountain Resources LLC that was formed to acquire and operate the subject line.