Introduction

The Georgia Department of Transportation (GDOT) administers the Federal Transit Administration (FTA) Section 5311 Formula Grants for Rural Areas Program (49 U.S.C. 5311) and the Urbanized Area Formula Funding program (49 U.S.C. 5307) for urbanized areas with populations between 50,000 and 200,000 and rural areas with populations of less than 50,000, as the designated recipient for the State of Georgia (State). FTA formula grant programs provide capital, planning, and operating assistance to states to support public transportation.

GDOT in its oversight role of rural and small urban transit subrecipients is responsible for being compliant and ensuring subrecipients are compliant with the provisions set forth under: 2 CFR 200; FTA Circular 5010.1E, Award Management; 9030.1E, Urbanized Area Formula Program; 9040.1G, Formula Grants for Rural Areas; 4220.1F, Third Party Contracting Guidance; the FTA Master Agreement; applicable portions of Federal Acquisition Regulations (FAR), including subpart 31.6; and Official Code of Georgia (O.C.G.A) §§ 32-9-1 through 32-9-3, 32-9-5, 32-9-9 through 32-9-11, 40-2-151.1, and 48-13-140 through 48-13-144.

The GDOT Transit Trust Fund Program (TTFP) is funded by the Transit Trust Fund (TTF). During the 2020 legislative session, the Georgia General Assembly passed HB 105 (as codified at O.C.G.A. § 48-13-140) establishing fees on for-hire ground transport service, intended to fund transit projects within the State. During the 2021 legislative session, the Georgia General Assembly passed HB 511 (as codified at O.C.G.A. § 48-13-141) establishing the Georgia TTF as a separate fund in the State Treasury, with annual appropriations of for-hire ground transportation fees. The GDOT Commissioner is the trustee of the Georgia Transit Trust Fund.

Subsequently, in the FY2023 Budget, funds were appropriated to the GDOT TTF, to be dedicated for use by one or more transit providers to fund transit projects. The funds allocated by GDOT to the TTFP represent the balance remaining after GDOT (i) retains matching funds for FTA programs it administers (specifically FTA formula grant programs governed by 49 U.S.C. §§ 5303, 5304, 5307, 5311, and 5339), and for select Intermodal TTF projects, and (ii) coordinates with the Atlanta-region Transit Link Authority (The ATL) regarding directed appropriations.

The TTFP uses a population-based formula, based on 2020 Census data, to distribute State funding to Georgia's counties with existing transit service to further support public transportation across the State. TTFP funding is distributed to the agencies that provide public transportation for these counties.

Eligibility for TTFP funding mirrors FTA requirements. As required by federal financial management principles and outlined in the GDOT Transit Program Financial Management Oversight Manual, maintaining effective control and accountability for all TTFP and federal funds, property, and other assets is required. Each recipient of FTA funds is required to sign and comply with the annual FTA Certifications and Assurances. All TTFP recipients are issued a contract or Memorandum of Agreement (MOA) that includes specific reporting and compliance

requirements. TTFP funds will be additive and not supplant existing funds, with funding increases due to the Infrastructure Investment and Jobs Act/Bipartisan Infrastructure Law IIJA/BIL also eligible.

Eligible uses of TTFP funds include:

a. Additional Operating Expenses (i.e., increased IIJA/BIL funding programmed in FTA grant programs)[1]
b. Bus – Rolling Stock
c. Bus Transitways/Lines
d. Bus Stations/Stops/Terminals
e. Bus Support Equipment/Facilities
f. Rehab/Renovation
g. Bus Electrification
h. Signal & Communication Equipment – Bus
i. Engineering & Design
j. Bus Associated Transit Enhancements
k. Other Capital Items (3rd Party Contracts/Real Estate-Right of Way/Bus)[2]

<u>TTFP Distribution Formula</u>

Upon confirmation of TTF dollars in annual appropriation:

- GDOT first retains matching funds for FTA programs and for select Intermodal TTF projects.
- GDOT then coordinates with transit providers (i.e. The ATL) regarding directed appropriations from TTF.
- GDOT then allocates the balance of TTF to counties with existing transit service using a population-based formula, excluding The ATL counties, upon acceptance of applications for TTFP funds from existing transit operators serving identified areas or county/counties.

GDOT retains TTF dollars to meet the matching requirements for the FTA programs and to fund select Intermodal TTF projects as indicated above. At a minimum, funds to provide a 10% State match for applicable contracts with transit subrecipients are retained. This amount fluctuates

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[1] Operating expenses are costs necessary to operate, maintain, and manage a public transportation system.
[2] Other Capital Items include: Preliminary Engineering; Final Design Services; Project Management; Construction Management; Insurance Legal Audit; Rolling Stock Rehab; Inspection; Capital Cost of Contracting; Acquisition Relocation; Demolition; Appraisal; Utility Relocation; Construction; Rehabilitation; Lease; Contingencies/Program Reserve; Public Buyout; Project Income; Capital Project Income; Project Administration; Preventive Maintenance; SIB Capitalization; Non-Fixed Route ADA Paratransit; Community Service Facilities; TDM Activities – CMAQ only; Mobility Management; Debt Service reserve; Transit Asset Management; Training; Security & Emergency Response Plans

annually depending on total funding and program requirements. The following FTA grant funding programs are administered by GDOT:

- Section 5303 Metropolitan Planning Program
- Section 5304 Statewide Planning Program
- Section 5307 Formula Grants for Small Urban Transit Program
- Section 5311 Formula Grants for Rural Areas Program
- Section 5339 Formula Grants for Program Bus and Bus Facilities Infrastructure Investments Program

GDOT distributes the remaining TTF dollars to the TTFP as follows, using 2020 Census population data to calculate the allocations by County.

Percentage	Distribution	Recipient
55%	Counties with existing transit systems	Funds for each County distributed by population percentage to existing GDOT transit subrecipient or FTA large-urbanized area (UZA) direct recipient
25%	Transit agencies serving multi-county or regional areas outside the ATL Region	Funds distributed on a population percentage to GDOT transit subrecipients that operate multi-county or regional transit systems outside the ATL Region
20%	Counties with a Household Income under $45,000	Funds distributed evenly to GDOT transit subrecipients serving eligible counties

<u>TTFP Allocations</u>

- TTFP Distribution of Funds:
  - 55% of the total TTFP funds are distributed by population to each County with an existing transit system.
  - 25% of the total TTFP funds are distributed by population to GDOT transit subrecipients that operate multi-county or regional systems.
  - 20% of the total TTFP funds are distributed evenly to counties with existing transit that have a Household Income under $45,000, per the 2020 Census. The Census reports that 47 counties have a Household Income under $45,000.
  - The 13 counties within the ATL are not included in the TTFP distribution.
- TTFP Allocations to existing transit agencies:
  - Rural area transit agencies operating a single County/City 5311 system receive the County's 55% allocation.
  - Rural transit agencies operating a multi-county or regional transit system receive the 55% allocation for each of the counties served, and the 25% regional funding allocation.

- Single County and multi-County/regional transit operators serving a County(ies) with a Household Income under $45,000 per the 2020 Census receive the 20% allocation for each eligible County.
- Small and large urbanized area transit agencies receive the 55% allocation associated with the County served. If that County falls into the service area of a rural transit agency serving a region or multi-County area, the County allocation is excluded from the rural transit agency's allocation.

TTFP Applications

- Based on availability of TTFP funds, GDOT announces TTFP allocations and accepts applications annually using the TTFP Application. TTFP allocations and other TTFP related documents are published to the GDOT website, on the Division of Intermodal Transit Program page: https://www.dot.ga.gov/GDOT/Pages/TTFP.aspx. TTFP applications are accepted at GDOT_TTFP@dot.ga.gov.
- TTFP allocations are provided to recipients via the TTFP Memorandum of Agreement (MOA) and disbursed as a lump sum to the recipient after MOA execution and receipt of invoice.
  - The MOA includes the TTFP invoice template.
  - TTFP funds must be identified as such on the recipient's general ledger.
- TTFP recipients are required to provide a Statement of Project Expenditure (SOPE) and supporting documentation at GDOT's request throughout the life of the agreement.
- TTFP recipients are required to submit a SOPE to request closeout upon project completion. Documentation verifying expenditures must be attached to the SOPE illustrating how the TTFP funds were expended. GDOT will provide written notification to recipients to indicate approval of project closeout.
- TTFP funds and projects are monitored for compliance by GDOT Division of Intermodal's Transit Project Managers (PM).
- TTFP funds may be managed through the GDOT Division of Intermodal's BlackCat Transit Data Management System®, a grant and data management system.
- Counties that choose to opt out of the program for SFY 2023, please send an email to GDOT_TTFP@dot.ga.gov by April 14, 2023.

Additional TTFP Documents:

- TTFP Application
- TTFP Memorandum of Agreement Template
- TTFP Invoice Template
- TTFP Statement of Project Expenditure Form
- TTFP Frequently Asked Questions