

IMPROVING TRANSPORTATION OPTIONS IN RURAL STATES AND TRIBAL AREAS UNDER MAP-21

FIELD HEARING

BEFORE THE

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS UNITED STATES SENATE

ONE HUNDRED THIRTEENTH CONGRESS
FIRST SESSION

ON

EXAMINING ISSUES RELATED TO THE IMPLEMENTATION OF MAP-21
AND THE NEED FOR COORDINATION BETWEEN TRANSIT PROVIDERS
AND SOCIAL SERVICE AGENCIES

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THURSDAY, MARCH 28, 2013

U.S. SENATE,
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Sioux Falls, SD,

The Committee met at 2 p.m., at Carnegie Town Hall, 235 West 10th Street, Sioux Falls, South Dakota, Hon. Tim Johnson, Chairman of the Committee, presiding.

OPENING STATEMENT OF CHAIRMAN TIM JOHNSON

Chairman JOHNSON. Good afternoon. This hearing will come to order.

Today, the Banking Committee holds its first full Committee hearing on transit and transportation issues since Congress passed a 2-year surface transportation bill, MAP-21, which President Obama signed into law last July.

I have long recognized the importance of public transit in South Dakota. Affordable and accessible transit gives people a freedom and mobility that many of us take for granted, and I am glad we can be here in South Dakota to talk about how public transportation helps so many individuals and families get where they need to go, whether they are commuting to work, buying groceries, or visiting the doctor. Rural transit also helps people stay in their communities as they age or travel to work while saving money on gas.

As Chairman of the Senate Banking Committee, I was proud to work with both Republicans and Democrats last year to pass a bipartisan transportation bill that strengthens highway and transit programs and expands funding for rural States. I worked closely with our Committee's prior Republican ranking Member, Senator Shelby of Alabama, to develop the public transportation portion of MAP-21. Our Committee approved its provisions with unanimous bipartisan support, and the full Senate passed MAP-21 with a strong bipartisan majority.

MAP-21 does not solve all of the long-term issues facing the Highway Trust Fund, but the law increases support for public transportation and highways for 2 years. In fact, South Dakota's transit formula funding is significantly boosted by MAP-21, but even more funding is needed for bus replacement and highway improvements. MAP-21 represents a solid Federal commitment to transportation investment in a difficult budget environment. The

bill supports 10,000 jobs in South Dakota, about 500 of which are connected to transit. I will continue to build on the progress we have made and work to strengthen the Federal commitment to transportation programs in our State.

South Dakota's total transit formula funding increases significantly in fiscal year 2013, growing about 48 percent to \$14.8 million, up from \$10 million in fiscal year 2012. This increase in formula funds was designed to replace earmarks and competitive awards previously used for bus replacement and travel transit. Highway and transit formula funds were not subject to sequestration, but some of FTA's programs, including its administrative funding, were reduced. MAP-21 doubles funding for the tribal transit program to \$30 million annually.

Today, we are joined by some important leaders who helped make MAP-21 a reality. The U.S. Department of Transportation and the Federal Transit Administration share my belief in the importance of transit options in rural America, and I am very pleased to welcome FTA Administrator Peter Rogoff today.

This is Administrator Rogoff's second trip to South Dakota since I took over as Chairman of the Banking Committee. He accompanied Transportation Secretary Ray LaHood on a visit to Pierre last October where we all took part in the grand opening of the newly expanded River Cities Public Transit Facility.

The State of South Dakota has also championed the Federal role in transportation for both highways and transit. I thank our Secretary of Transportation Darin Bergquist for joining us today. And, finally, our second panel is made up of those who understand public transportation best, representatives of the users and operators of transit in South Dakota.

In a large, sparsely populated State like ours, transit providers cover long distances, which puts increased wear-and-tear on their vehicles and requires significant coordination to stretch limited resources. They are rising to the challenge by working hard to coordinate service with a number of Federal, State, and local partners.

Transit has become quite meaningful for members of South Dakota's tribes as well. It provides tribal members more connections to jobs, better access to medical care, and easier trips for shopping and school. In recognition of that growing importance, the new formula funding I authored will bring significant guaranteed funding to strengthen South Dakota tribal transit providers.

Thank you to all of the witnesses for traveling here today, and thank you for your commitment to improving transportation for all Americans. With that, I would like to invite Administrator Rogoff to begin his testimony. Peter.

STATEMENT OF PETER M. ROGOFF, ADMINISTRATOR, FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

Mr. ROGOFF. Thank you, Chairman Johnson, and on behalf of President Obama and Transportation Secretary Ray LaHood, I am delighted to be in Sioux Falls today to highlight the Administration's support for public transportation in South Dakota and across the Nation.

Mr. Chairman, we are very grateful for your leadership in helping ensure the passage of our new 2-year public transportation law known as MAP-21. Along with Members of this Committee, you worked hard to achieve a true bipartisan victory by securing passage of a good bill that will create and support jobs when we need them most, while building a strong foundation to bring more transportation choices to Americans everywhere, including right here in your home State.

Secretary LaHood and I understand that in a State like South Dakota it is important to invest in transportation solutions that meet everyone's needs, from commuters living in Sioux Falls to working families, seniors, and veterans living in rural towns and on tribal lands. That is why FTA has sent millions of taxpayer dollars to this State over the last 4 years to modernize, repair, and enhance transit service so that everyone who needs a ride can find one, whether it is for getting to work, to the doctor, to school, or to the grocery store.

It is why we have awarded grants over the last 2 years to help Pierre, Spearfish, Sturgis, and other communities ensure that every military veteran or servicemember living in the region has ready access to a reliable ride so they can participate fully in their communities.

And it is why Secretary LaHood will soon award a \$1 million grant through the Department's TIGER 4 program to the Yankton Sioux Tribe to build a new transit facility in Marty that will result in more reliable bus service in a rural and economically distressed Native American community where transit is a lifeline, not a luxury.

MAP-21 allows us to continue making a difference for South Dakota residents and their communities. For example, under MAP-21, South Dakota can expect to receive an apportionment of \$5.9 million for transit service in rural areas and on tribal lands. This amount is 17 percent higher than what was received last year, which I think we can all recognize was a direct result of your leadership on boosting funding for rural transit.

In addition, MAP-21 doubles the funds available nationally for tribal transit. That means 2 years of steady, predictable funding for capital, operating, and planning needs that are so important for connecting men and women of all ages with work, with family, and with other opportunities.

Many tribal governments in South Dakota have developed and implemented successful transit programs. Under MAP-21, FTA will continue to help these tribes to provide thousands of rides and put paychecks in workers' pockets. We have consulted with tribal officials and others in an effort to finalize how these formula funds will be allocated.

We are pleased that MAP-21 included a new transit emergency relief program, first proposed by the Obama administration in 2012. It is a very long way away from South Dakota, but I can tell you we have already put half a billion dollars to work on repairs resulting from Hurricane Sandy, and it is because you had authorized this emergency relief program for transit nationally that we were able to move so quickly. This program will also help States and public transportation systems, including those in South Da-

kota, to pay for protecting, repairing, and/or replacing equipment and facilities that may suffer or have suffered serious damage as a result of an emergency or natural disaster such as floods, hurricanes, and tornadoes.

On the other end of the spectrum, under our Urbanized Area Formula program, South Dakota receives about \$3.6 million in fiscal year 2013, a 16-percent increase over last year. And the program tackles an ongoing challenge by expanding eligibility for operating expenses among smaller systems based on fleet size while preserving it for transit agencies in small cities like Sioux Falls and Rapid City.

MAP-21 also folded a portion of our discretionary bus program into a formula program focused solely on bus state of good repair needs so every agency has a predictable stream of Federal funds to maintain reliable, desirable transit that is also safe.

South Dakota can count on \$1.25 million in fiscal year 2013 to be used anywhere in the State to modernize and upgrade bus service. Sioux Falls and other cities in South Dakota may be eligible for these funds through the State's allocation.

Mr. Chairman, I have mentioned just some of the MAP-21 programs that will strengthen public transportation here in South Dakota. In my view, MAP-21 can also be viewed as the culmination of the priorities and policies that we have worked for together and have implemented consistently since the first day of the Obama administration.

Across the United States, MAP-21 allows FTA, for the first time, to establish and enforce basic, commonsense safety standards for transit. Many people did not know this, but FTA has been specifically prohibited in law from implementing even the most basic transit safety standards since 1964, and you helped fix that for tens of millions of transit riders across the country.

MAP-21 also establishes the Nation's first federally funded, stand-alone program to repair and upgrade rail and bus transit systems throughout the United States.

Last September, you joined Secretary LaHood and myself on a tour of the revitalized River Cities Transit Facility, a great project that highlights the value of reinvesting to bring our systems into a state of good repair and meet the needs of future generations. And in order to fulfill the President's goals to reinvest in America on projects that not just create jobs but also improve our quality of life for generations to come, MAP-21 placed renewed emphasis on the successful Buy America program. Buy America helps ensure that every Federal transit dollar is spent right here at home, putting more Americans to work as we revitalize domestic manufacturing and promote American ingenuity, making the transportation systems an American-made solution for American citizens with American tax dollars. Since the Obama administration has taken office, the number of waivers that we have granted to the Buy America law has been reduced from more than 40 to 3.

So, in closing, Mr. Chairman, MAP-21 offers an opportunity for us to work together to strengthen our transit systems across the board. We at the FTA look forward to working with you as Chairman of the Banking Committee on the next version of MAP-21. The law already expires at the end of 2014. We know that the

Committee is beginning to gear up for thinking about what the next law needs to look like. And let me just say parenthetically, while we understand your recent decision regarding your career, I think I speak for everyone across all of public transportation across the entire country, expressing our understanding but disappointment. All of public transportation intends to work really hard for your last 2 years and get a reauthorization done before you retire.

Thank you, Mr. Chairman.

Chairman JOHNSON. Thank you, Administrator Rogoff.

Secretary Bergquist, please begin your testimony.

**STATEMENT OF DARIN BERGQUIST, SECRETARY, SOUTH
DAKOTA DEPARTMENT OF TRANSPORTATION**

Mr. BERGQUIST. Thank you and good afternoon, Mr. Chairman. I want to thank you for the opportunity to speak before the Committee today and to share some of our thoughts on Federal investment in transportation in a rural State like South Dakota. First I will comment on the impact of MAP-21 in South Dakota and then address potential future transportation legislation.

Mr. Chairman, our overall view of MAP-21 is positive. As the Committee Chair, you had a key role in developing the legislation, and we appreciate your efforts and the efforts of all the South Dakota congressional delegation on passage of this law. I would like to outline for you briefly why we have such a positive view of MAP-21.

First of all, South Dakota's highway formula share was preserved. With our State's long stretches of rural highway and with few people to support that extensive road network, our State has always received a higher share of Federal highway funding than its share of contributions to the Highway Trust Fund. MAP-21 maintained that higher share. This formula share is correct on its merits, but we do not take it for granted. It is an outcome you and others in our delegation worked hard to achieve and preserve.

It was also important that South Dakota received an increase in transit formula funding under MAP-21, as you referenced, Mr. Chairman. As the Committee you chair has jurisdiction over the transit program, we want to personally thank you for your work to increase transit funding for South Dakota, other rural States, and our tribes. Increased transit funding will help transit providers meet the needs of senior citizens, people with disabilities, and others in South Dakota.

MAP-21 also provided some program stability. Until MAP-21 became law, the South Dakota DOT operated under transportation program extensions of just a few months. That created administrative, planning, and funding challenges. MAP-21 provided stability by providing a 2-year program while maintaining the funding level of South Dakota's highway program and by improving our State's transit funding. During the MAP-21 debate, some in Congress proposed significant reductions in transportation funding. We are certainly glad that did not occur.

We are also pleased that MAP-21 requires steps to expedite or simplify the environmental review process for projects. Yet at the same time, MAP-21's provisions impose some new requirements.

We hope these new provisions will be implemented in a nonburdensome way.

For example, Congress directed USDOT to develop performance measures linked to State performance targets. These performance management tasks could require considerable effort, especially if USDOT is too prescriptive in development of the measures. We hope these new requirements can be minimized.

Safety is always a priority for us, yet we hope MAP-21's transit safety plan requirements will be properly scaled. Part of the impetus for MAP-21 transit safety provisions resulted from a tragic multiple-fatality crash on the Washington, DC, transit system. In South Dakota, the one fatal accident involving a transit vehicle in the last several years was caused by a nontransit vehicle. We have a very good transit safety record in South Dakota, so new regulations should not impose complex requirements on our small transit systems and providers that are more appropriate for metropolitan agencies.

We had the opportunity this morning—and Administrator Rogoff was gracious enough to spend some time this morning with our local providers—discussing these very issues. I was very encouraged by the discussion that we had this morning and the thoughts and comments of the Administrator in regards to these issues. I am very optimistic, and I think that we can meet the requirements of MAP-21 in the safety area while not developing a program that is burdensome on our local transit providers.

I would also like to offer a few perspectives on the long-term interests of South Dakota in the Federal Surface Transportation Program. MAP-21 funding authorizations extend only through September 30, 2014, which is not far in the future. The potential for the Highway Trust Fund to run out of money in the second half of 2014 and the uncertainty that creates are cause for serious concern. If maintaining the current transportation funding levels remains uncertain, DOTs and contractors will take a cautious approach in letting projects, hiring crews, and making equipment purchases. That would mean fewer construction jobs and less support for people in businesses using transportation. That is why it is so important that, following the expiration of MAP-21, we do not go through another period of multiple short-term extensions like what was experienced following SAFETEA-LU and, as a result, I join Administrator Rogoff and we are also hopeful here in South Dakota that we can see passage of a new Federal transportation bill before your time in Congress is done.

Finally, I want to emphasize why significant Federal investment in highways in a rural State like South Dakota is in the national interest. Rural highways serve as a bridge for interstate truck and personal travel between States and through South Dakota. They support agricultural exports and serve the Nation's ethanol production, energy extraction, and wind power industries, all located largely in rural areas. They connect to scenic wonders like Badlands National Park, Mount Rushmore, and Yellowstone National Park, and they are a lifeline for remote and economically challenged citizens such as those living on tribal reservations. Also, Federal transportation programs create jobs, support economic efficiency and growth, and enhance safety.

South Dakota has few people to support each mile of Federal aid highway. Preserving this aging, nationally connected system is expensive and remains a challenge. So far, Congress has recognized the national interest in highways in and across rural States. We hope that will continue.

Also, Federal investment must continue in public transportation in rural States like South Dakota. To help us meet current and future demand, operating as well as capital costs should remain eligible uses for the Federal transit program. Federal investment in rural transit helps ensure personal mobility, especially for senior citizens and people with disabilities, connecting them to medical appointments, other necessary services, and employment.

In addition, rural transit helps sustain, as you mentioned, Mr. Chairman, over 500 jobs across South Dakota. It allows children to access school and other education opportunities while their parents remain at work, adding to household productivity and earning potential while supporting families.

And I would like, Mr. Chairman, just to share with you one example of a success story in public transit in South Dakota and how it is impacting people. I received a letter yesterday from Officer Richard Bauman, who is a school resource officer at Riggs High School, in Pierre, and Ms. Tynell Kocer, who is the Native American liaison at Riggs High School. In Pierre, we have a program where private funding using public transit services provides rides to schools for some underprivileged kids who may need to walk a significantly long distance of a mile or more to get to school. Oftentimes, in the winter months in particular, they were not getting to school at all. They attribute the increase in graduation rates to the availability of this program. I would like to quote from their letter.

“For the 2011–12 school year, the graduation rate of Native American students who started the school year at T.F. Riggs High School and graduated was 56 percent. The anticipated graduation rate for the 2012–13 school year for Native American Students who started the school year at Riggs is 81 to 86 percent.”

Mr. Chairman, this is just one example of the way that public transit services are benefiting the people of South Dakota.

But providing transit services in a low-population-density State like ours meant meeting special challenges. Small buses or vans usually provide rural transit service. Frequently, it is on-demand service for the elderly or disabled, such as nonemergency trips to the hospital or pharmacy. In very low population density States, a one-way trip to a medical facility for one or two riders can be 50 miles or more. But this helps citizens stay in their homes, avoiding more expensive care.

In conclusion, Mr. Chairman, Federal surface transportation programs and legislation must continue to recognize the national interest in providing significant Federal investment in highways and transit in rural States like South Dakota. That recognition, combined with fewer program requirements and rules, will allow the South Dakota DOT and our local transit providers to address the transportation needs of South Dakota and the Nation.

That concludes my testimony, Mr. Chairman, and I would be happy to answer any questions you may have.

Chairman JOHNSON. Thank you both for your testimony. I appreciate the fact that—it is commendable that the rural transit program in Pierre works closely with the tribes in Pierre, Lower Brule especially, and I find that the coordination is difficult, but it is well worth doing.

I now have some questions for each of you. Mr. Rogoff, you have served as FTA's Administrator for nearly 4 years. How has your service as Administrator shaped your view on the Federal role in public transportation in large rural States like South Dakota compared to other areas?

Mr. ROGOFF. Well, Mr. Chairman, in my period as Administrator, it has become increasingly apparent to us that—we have an expression at the FTA that I use with increasing frequency, and that is, "If you have seen one transit agency, you have seen one transit agency," because no two of them are the same, no two face the same clientele, the same governance structure, the same financing. And even between groups of transit agencies, there is very little commonality between the great challenges of a New York City MTA or a BART in San Francisco versus the challenges that we face here in South Dakota. And that is what makes it imperative that we tailor our programs to meet local needs, to meet the unique needs that the localities have.

I think MAP-21 goes a long way toward doing that in the law, and now it is the FTA's challenge as we implement your law to make sure that we do it in terms of the regulatory burden and the rules that come with your new programs.

So, for example, we were just meeting this morning with many of the transit providers in the State. There are important new authorities in the law about how we maximize the use of the dollars. I gathered a lot of good and important notes that are now informed by the details of the MAP-21 law to bring back to Washington, DC, to the regulation writers to make sure that we do not think that we can develop a one-size-fits-all approach that will work as well for the tribes in South Dakota as it will for the large urban providers. They have different challenges, and they need to have different ways of fulfilling the responsibilities of that law, because in the end our goal is not just about bureaucracy and rules. Our goal has to be about providing the maximum amount of service to the public that the tax dollars will allow. And that is what we have—that is what has really been driving us for the last few years, is retooling our programs to get the maximum service to the citizen, not the maximum amount of bureaucratic process.

Chairman JOHNSON. Secretary Bergquist, thank you for joining us. Your testimony highlighted how large rural States have unique transportation needs for highways and transit. Can you talk about the economic importance of transportation investment in South Dakota and describe further why having long-term guaranteed Federal funding is important?

Mr. BERGQUIST. Thank you for the question, Mr. Chairman. I will try to answer that in two different parts.

In terms of the economic importance of transportation in South Dakota, I think we all understand that a good transportation network is a foundation for State economic growth and personal mobility in South Dakota. As an example, goods must be able to move

from farm to market and across and through the State, including to grain elevators and rail transfer points. That is essential to our State being competitive in the national and world economy.

I think we have seen examples here in Sioux Falls of just how transportation investment can drive economic development. Just two examples: the newly constructed interchange at I-90 and Marion Road. We know that development is planned to occur there in the very near future as a result of that. We have completed portions of South Dakota 100 on the east side of Sioux Falls. We have seen tremendous economic development along those sections of the road that have been completed.

Many businesses are looking at the possibility of coming to South Dakota. They often cite that the availability of a good transportation network and system is one of the top priorities that they are considering when they look at a potential site. So all those things indicate how important highway and transportation investment is for South Dakota's economy.

As to public transit, it ensures personal mobility for those that may not be able to drive personal vehicles, whether due to age, infirmity, or lack of funds. These people are an important part of our economy and our society. They have to be able to get to work. They have to get to hospitals. They have to get to jobs, schools, and other important destinations. So continued investment in public transit in South Dakota is also vitally important to our economy.

As to the second part of your question, Mr. Chairman, as to the importance of guarantees, we will gladly take any long-term Federal transportation funding guarantees that we can get. But I want to be clear in making that point. As important as the long-term guarantees are to us, it is really the substance of the bill that is more important. Our formula share of the level of funding in the bill is really key. All things being equal, we would not want to get locked into a long-term bill that is detrimental to South Dakota. A favorable bill and the longer the term, the better for us in terms of our planning efforts. It helps us. It helps us plan projects into the future. It helps our contractors prepare for projects that are coming, whether that be purchasing equipment, hiring more crews, those type of things.

So, we are very glad to see the MAP-21 programs are largely not subject to reduction under sequestration. We would like to see continued protection of that transportation funding and a program authorization of more than 2 years in the future.

Chairman JOHNSON. Mr. Rogoff, trips in tribal transit more than doubled under SAFETEA-LU, and MAP-21's formula will provide guaranteed funds for tribes. What challenges, if any, do you foresee in continuing this program's success? Also, how is FTA working to ensure that all eligible tribal miles are being counted in the new formula?

Mr. ROGOFF. Well, as you pointed out, tribal transit trips have grown, but largely due to your leadership, Mr. Chairman, the total funding for tribal transit under MAP-21 has doubled for the next 2 years, and that is very good news. But it made some important structural changes on how the program works.

Under the SAFETEA-LU period, the tribal transit program was distributed as discretionary grants where applications were sent to

FTA and we were able to evaluate the strength of those applications. That was at a \$15 million a year level. MAP-21 boosted it to a \$30 million a year level, but \$25 million of that will now go out by formula. And as you said, it will provide a predictable stream of funding to these tribes.

I think there are a few challenges that come with that. Some tribes have a great deal more technical capacity to launch and run a transit program than others, and some of them are going to need considerable assistance from the FTA or from their neighboring transit providers to be able to stand up a good, sustainable program that serves the tribal community well.

I am also concerned that, as the formula spins out the formula grants, certain tribes, especially those that have not participated in the past, might get amounts that are so small as to not let them really make meaningful progress in a short period of time. But we are going to work to make this money have, like everything else, the maximum impact for the maximum number of tribal members in the most successful way.

You asked about tribal mileage. The mileage that was reported in the past by the tribes was not so important because the funds were not going out by formula. Now that we do have a formula that is in part driven by mileage, making sure that data is reported and reported accurately is going to be a higher priority because it is going to drive the funding. And we will be working with the tribes to make sure that that works.

Chairman JOHNSON. How do you do that?

Mr. ROGOFF. Well, first and foremost, you need to make sure that the data is reported through what is called the National Transit Data base. We need to make sure that the tribes that want to participate are fully integrated in it and know how to report their mileage. Here, again, it is about technical assistance. It is about getting assistance from neighboring transit providers in the area.

It is a hard one, I will tell you. For the size of the grants and the amount of money that we have put out in the past, the folks in FTA regional offices will tell you that they have to put a great deal more technical assistance into getting some of the tribal grants to work because it is a whole new ball game to some of these tribes.

That said, the service is critically important in many of these tribes. You have people who are isolated from work, isolated from medical care, who are absolutely dependent on services like this to get to medical appointments, to get to training, to get to education, to get to jobs. So we will double our efforts consistent with the doubling of your funding to make sure it is a successful program.

Chairman JOHNSON. Secretary Bergquist, I am sure you are following USDOT's implementation of MAP-21 closely. In terms of freight, can you elaborate on how USDOT should address the transportation of agricultural goods as MAP-21 is implemented? And for transit, as FTA implements new requirements for asset management, how far along is the State in monitoring the condition of South Dakota's transit fleet?

Mr. BERGQUIST. Thank you, Mr. Chairman. You are correct in that we are very interested in monitoring USDOT's implementation of designating a national freight network. At this point, the MAP-

21 legislation does not provide any funding advantages for roads that are placed on that network, but certainly is conceivable that it could change in the future, and that is why we are so interested in it.

One of our big concerns is that high truck volumes will be the main criteria used by USDOT to designate that network, and there is no doubt there are high volumes of truck freight at ports in metropolitan areas, for example, but much of that is import cargo or local deliveries.

In South Dakota, we think it is also important that our lower volume but equally important agricultural and resource shipments by truck, because they generate exports and reduce our trade deficit, receive equal weight in designation of a national freight system.

We want to make sure that South Dakota's important contributions to the freight system are recognized as part of that network, particularly in the event that in future legislation there are any funding benefits associated with roads that are designated as part of the freight network.

As to our transit fleet condition, for years the transit office at the South Dakota Department of Transportation has worked with all of our small transit providers in the State and also worked with the tribes that choose to do so, so that we file data with FTA's National Transit Data base that the Administrator referenced, and that data includes information regarding the age of the buses and the vans, which is some of the most critical information.

Our issue with managing our fleet in South Dakota, Mr. Chairman, is finding resources to upgrade and buy more modern buses. Your work has helped, but we can certainly hope for more. We do not have a record keeping problem when it comes to transit assets in South Dakota. Our records are already telling us we need to update our fleet. We just need the resources to be able to do that.

Chairman JOHNSON. Mr. Rogoff, what steps is FTA pursuing to ensure that the new requirements for safety and asset management are not burdensome on small agencies such as we have in South Dakota?

Mr. ROGOFF. Well, I think it is critically important, Mr. Chairman, to recognize that whenever we talk about transit safety, we first have to acknowledge that transit is a very safe mode of transportation. You are infinitely safer getting on a bus or a rail car than you are getting into your own personal vehicle under any circumstances. So our challenge as an agency, given the new safety authorities that we have been given under MAP-21, which the Administration sought, going back to 2009, is to make sure that we are adding value without adding a great deal of cost of bureaucratic burden.

We believe that using a safety management system approach is the way to do that. It has been very successful in other agencies, and it is where we tailor the safety regime to the unique circumstances of the individual transit provider. So when we were focused on moving forward with the transit safety bill, we were very focused on rail crashes and fatal accidents involving Washington Metro, the T in Boston, the CTA in Chicago, the rail operator in Miami, trolley operators in San Francisco. It is certainly not accu-

rate to say that our burning safety concerns involve small bus operators, such as those in your State.

That said, we think there are ways—and I think when we start coming out with some of these products soon, we will put a good deal of the anxiety over this at ease—where we will be showing folks how to ask themselves the right questions, many of which they are already asking themselves. This will be about making sure that they put out safe trips every day, and thankfully, currently they are putting out safe trips every day.

Chairman JOHNSON. Mr. Rogoff, the transit providers in South Dakota work hard to coordinate service with local, State, and Federal partners in order to provide high-quality service, particularly for seniors, vets, and persons with disabilities. I applaud FTA's work to assist these efforts and FTA's funding of mobility management projects. But barriers still exist at the Federal level. GAO suggests that further action by the Coordinating Council on Access and Mobility is needed.

What do you think is the next step at the Federal level?

Mr. ROGOFF. Well, thank you for the question. As you know, Secretary LaHood chairs the Coordinating Council on Access and Mobility, and our focus in the first term was to get our Veterans Transportation Initiative up and running, following up on the First Lady and Dr. Biden's efforts to really make sure that we are doing the best by way of our returning veterans.

Now, you make a very important point, Mr. Chairman, that in smaller and rural States where we have a great many clients spread out all over the State in need of mobility, coordination is key. The taxpayers are paying for transportation services through a variety of Federal programs, and we certainly should not be duplicating efforts. And even collectively we do not have enough resources to serve all that we need to serve, so coordination is key.

You asked what the next step is. On my priority list, the next step is an important sit-down with the folks at the Department of Health and Human Services. The Medicaid program puts out billions of dollars annually for transportation. I think there is still a lot of upside opportunity for us to do better coordination with Medicaid where there are actually quite a lot of resources already going into transportation. We need to maximize the Federal dollar in terms of the number of clients we serve and the ability to serve them well.

Chairman JOHNSON. Thank you both for your testimony today, and, Mr. Rogoff, thank you for traveling from Washington, DC, to Sioux Falls for this hearing. I would like to excuse you now.

I would now like to call on the second panel. Will the second panel come forward?

[Pause.]

Chairman JOHNSON. Now I would like to introduce our witnesses.

Ms. Cosette Fester is a Paratransit rider in Sioux Falls.

Mr. Mike Cooper is the Director of Planning and Building Services for the city of Sioux Falls.

Ms. Barb Cline is Executive Director of Prairie Hills Transit in Spearfish.

Ms. Emma Featherman-Sam is the coordinator for Oglala Sioux Transit.

Ms. Lynne Keller Forbes is Executive Director of the South Eastern Council of Governments.

Last, Ms. Sarah Jennings is the South Dakota State Director for AARP.

Ms. Fester, please begin your testimony.

**STATEMENT OF COSETTE FESTER, SIOUX AREA METRO
PARATRANSIT RIDER**

Ms. FESTER. Sixteen years ago, I had never heard of Paratransit or even had a need to know about it. That all changed in January 1997 when we were in a car accident which severed my spine at T5. I was in the hospital for 6 months. I have rods holding up my back so I can sit up and also rods holding up my rib cage. Everyone in the hospital tried to get me to sign up for Medicaid and all the benefits, but my family said that I would be going back to work. At that time I was an insurance adjuster specializing in workers' compensation. My boss kept whispering in my ear that I would have a job waiting for me when I was ready to come back.

In October, I started back part-time at first. My husband was driving me back and forth, but that got to be a tiresome job for both of us. My husband is older and has numerous health problems of his own. I am not sure how I got signed up for Paratransit, but my family called them and away I went. The first day I made my husband follow me all the way to work and back again. I cried all the way to work. My poor bus driver kept asking me if I was all right, and I kept on crying and shaking my head. On that day, I felt feelings of inadequacy and dependency. My feelings have greatly changed since that day.

Paratransit has been my salvation. They pick me up at my door and drop me off at my door. I am unable to open the doors myself as I do not have the upper strength to do so. Also my wheelchair does not allow me to get up close enough to a door to open it by myself.

I think back at what people did before we had these services. I am not a person that could just stay at home. I need the interaction of people. I need to be useful and kept busy. Before I went back to work, I sat home and cried and felt sorry for poor me. I felt a burden to my family and was unclear with what to do with my life. Paratransit is more than just a way for me to get to work. It is another way for me to contact and connect. I see so much good in the people that work there as well. I once had a bus driver who wrote a poem for me. My family and I cherish the words of this wise man, my Paratransit driver. He wrote about how I was defined by me and not my chair. The way I handle this life is not what matters most. I need to make the best of it, for I will walk in the Promised Land. So what you need to realize is that Paratransit means a whole lot more than transportation to its riders. It is key to our independence, and it enhances our self-worth through its people and its services. Without this service and the special people employed by our Government, I would be lost.

God has put a lot of different people on this Earth. I used to consider myself average and just your average middle-class working

woman. However, that tragedy that occurred that night in 1997 made me special—yes, with a disability but, most importantly, I am special because, unlike many others, I now see the good in so many people. I instantly recognize good will and civility in ways that most average Americans fail to recognize. I am very grateful for all of the good deeds that are provided continually by Paratransit.

Chairman JOHNSON. Thank you, Ms. Fester. I personally appreciate the complications of such a simple thing as getting the door open.

Ms. Lynne Forbes.

**STATEMENT OF LYNNE KELLER FORBES, EXECUTIVE
DIRECTOR, SOUTH EASTERN COUNCIL OF GOVERNMENTS**

Ms. FORBES. Good afternoon. Thank you, Chairman Johnson, for the opportunity to highlight our views on the new Federal surface transportation law, MAP-21, and the transportation investments the law provides, especially for our Nation's small metropolitan and rural regions.

My name is Lynne Keller Forbes, and I am the executive director of the South Eastern Council of Governments, which is headquartered here in Sioux Falls and serves six of the southeastern counties in the State. SECOG is also the fiscal agent of the Sioux Falls Metropolitan Planning Organization, which is the transportation planning organization for the Sioux Falls urbanized area.

As the Committee examines the impacts of MAP-21 on public transportation and transportation investments in rural States like South Dakota, I respectfully submit the following observations:

First, Mr. Chairman, it is important to note the benefits of the law having rejected efforts to change the population threshold for becoming and maintaining an MPO.

If MAP-21 would have included a provision to increase the population threshold of MPOs to 200,000, as one of the draft bills proposed, the Rapid City, Sioux City, and Sioux Falls MPOs would have been three of the 220 of 385 MPOs potentially eliminated, leaving the State of South Dakota with zero MPOs.

It is important to maintain MPOs in rural States like South Dakota to ensure the input of the citizens and local elected officials of small metropolitan areas are considered in the transportation planning process. The populations of the communities of the Sioux Falls MPO are increasing at record rates, and the borders of these communities are continually growing closer together. The cities of Brandon, Crooks, Harrisburg, and Tea currently have borders approximately 1 to 2 miles away from the city of Sioux Falls' border. It is estimated that the borders of these four communities will meet Sioux Falls' border by 2035. The literal closeness of these communities only emphasizes the importance of a local transportation planning organization to ensure coordination amongst the communities, to ensure the needs of the region are met, and to ensure the voices of local citizens and the elected officials are heard during the transportation planning and programming process.

The Sioux Falls MPO transportation planning budget has been just under \$2 million for the past few years and has increased to

over \$3 million for 2013. The regionally significant activities accomplished with that funding include a transportation planning study of 41st Street and the I-29 interchange to identify potential projects to improve traffic flow on one of the busiest streets and interchanges in the State. A similar study is also being completed by the MPO for 26th Street and the I-229 interchange, an area that experiences significant traffic delays during the morning and evening commutes. In addition, a recent impressive collaboration by the Sioux Falls MPO communities resulted in the "Sioux Falls MPO Multi-Use Trail Study" to identify corridors to connect the trails of Brandon, Harrisburg, and Tea to Sioux Falls' extensive trail system. Once implemented, pedestrians and bicyclists will have a safe way to travel between the MPO communities. Transit activities completed by the MPO include a recently completed route study to improve the Sioux Falls transit system and plan for future needs of the system. A space needs study was also recently completed to plan for the expanded needs of the transit system's office and storage facility.

Additionally, Mr. Chairman, the continued increase of Federal support for public transportation, as demonstrated by MAP-21, is essential for the economic growth of rural States like South Dakota and small metropolitan areas like Sioux Falls.

In 2012, Sioux Area Metro, which is also known as SAM, the Sioux Falls public transit system, provided almost 1.2 million rides, which is a 3.1-percent increase from 2011. Additionally, SAM employs about 95 people and has an annual operating budget of around \$3.5 million.

With the previously mentioned growth that the Sioux Falls area has been experiencing, the transit service will need to be expanded to reach the new employment and residential areas in the community. The "Transit System Analysis-Grid Network Alternatives" study completed by the Sioux Falls MPO just last month concluded that an additional \$1.2 million, or about one-third of the current budget, would need to be added to SAM's annual operating budget for the extended transit service needed by year 2035. In addition, increased funding will be needed for capital costs such as additional buses and transfer centers and the expansion of the storage and office facilities. A recent space needs study completed by the MPO estimated that a \$13 million expansion of SAM's office, maintenance, and storage facility will be needed to meet transit needs.

In closing, Mr. Chairman, we are encouraged by the support for transportation planning and public transportation that is demonstrated by MAP-21.

As you have heard, the transportation planning funding and public transportation funding authorized by the transportation bills is effectively utilized in the Sioux Falls MPO and contributes significantly to the economy of the State of South Dakota. MAP-21 expires on September 30, 2014. As work begins on the next bill, sustained and increased support is needed to ensure coordinated transportation planning and programming activities among local citizens and elected officials are continued on a regional basis in rural States like South Dakota and to ensure the notable economic benefits of public transportation are not lost by our State.

Thank you again, Mr. Chairman, for the opportunity to testify today. I would be pleased to answer any questions.

Chairman JOHNSON. Thank you, Ms. Forbes.

Ms. Featherman-Sam.

**STATEMENT OF EMMA FEATHERMAN-SAM, COORDINATOR,
OGLALA SIOUX TRANSIT**

Ms. FEATHERMAN-SAM. Thank you. *Euha chi cante wasteya nape ceyuspa pi*. I give you a heartfelt handshake. Thank you. Thank you for inviting me to testify here before the Committee. I am honored.

The people who have needed the most help with transportation have accepted tribal transit systems across Indian Country voraciously. Transportation on the Pine Ridge Indian Reservation via some type of vehicle is most often either unavailable or, if a vehicle is available, is not in the best working condition or the cost of operating the vehicle is prohibitive. The safe, reliable services of Oglala Sioux Transit have already provided a valuable addition to the quality-of-life factors for the many residents of the Pine Ridge Indian Reservation.

Oglala Sioux Transit has been operating since February of 2009. We have eight buses. We have three 22-passenger and five 16-passenger. We have a 12,500 square foot facility that has been constructed with funds from Federal transit. We average right around 1,800 miles daily. We have seven routes across our 2.7 million acre reservation. The seven routes go through 16 of the main villages in our reservation, and the stops—there are 35 stops across our reservation that provide the general public with access to college courses, employment, medical appointments, business, and shopping services on the reservation.

A lot of times, the stops are kind of out in the middle of nowhere, and I think since we are rural, we do not really think about ourselves as out in the middle of nowhere, but we do have five bus shelters that have been constructed and erected on our reservation at several of the more popular spots on the reservation.

The transit program is comprised of 17 employees—a coordinator, office manager, maintenance support technician, dispatcher, 12 bus drivers, and a bus mechanic. We also take part in providing slots for TANF workers who provide the receptionist, filing, and cleaning for our facility.

The Pine Ridge Reservation is comprised of approximately 2.7 million acres. It encompasses three of the counties of South Dakota—Shannon, Bennett, and the southern half of Jackson. You know, we talk about low density in South Dakota. Shannon County has 6.5, Bennett 2.9, and Jackson 1.6 persons per square mile, and these are all counties that are based within the boundaries of the reservation. We have a population through the data from the different tribal programs of 47,000, of which 38,000 are enrolled tribal members. The 2010 census shows 20,048, which is a massive undercount, for our reservation. The Department of Housing and Urban Development's NAHASDA population number is 43,146, and that is still a little low. BIA Labor Force talks about our unemployment on our reservation at 89 percent. Persons below poverty levels on the reservation remain among the highest in the United

States, with the 2009 census data indicating 51 percent for Shannon County, 37.8 percent for Bennett County, and 31.6 percent for Jackson County. So, you know, we are dealing with a lot of really low-income, poverty-level people here on our reservation as we try to provide transit services for them.

We are right now at a point where for the last 4 years we have transported 27,703 passenger trips. You know, we are traveling 400—actually, 1,746,000 miles, and the number—that was just a number for the quarter—was 95,000 persons across the reservation.

Tribal transits nationally, when we started back in fiscal year 2006, there were 63 tribes in fiscal year 2012, 72 tribes that have received tribal transit funds. With the new fiscal year 2013, there are 71 tribes in South Dakota; five of those tribes are receiving approximately \$1.8 million.

Let me see. MAP-21, the provisions have represented a significant improvement in the availability of resources that tribes may access to assist with their public transportation needs. We provided comment back in November for MAP-21 for the tribal transits.

In closing, I would like to express my appreciation to you for holding this hearing here and allowing me to represent some of the tribal input into what is happening within the Federal Transit Administration to provide public transit services out in Indian country. Thank you for acknowledging the sovereignty of tribes by providing direct funding on a Government-to-Government basis to those of us tribes that have accepted that. Congress, FTA, and Indian tribes can rightfully be proud of the accomplishments made to this State and look forward to a continued partnership for future gains.

Chairman JOHNSON. Thank you, Emma.
Ms. Cline.

**STATEMENT OF BARBARA K. CLINE, EXECUTIVE DIRECTOR,
PRAIRIE HILLS TRANSIT, SPEARFISH, SOUTH DAKOTA**

Ms. CLINE. Senator Johnson, good afternoon. I am Barb Cline, the executive director of Prairie Hills Transit located in Spearfish, South Dakota. I direct a transit agency operating within a 12,000 square mile service area and like to think that I represent in large part many of the rural transit system operators that provide much needed services to an array of destination in rural and small town America daily.

I would sincerely like to thank you and FTA Administrator Rogoff for supporting community and public transit. We appreciate the increased formula funding in MAP-21 and the ongoing dialog that you have permitted us.

Today I would like to discuss how the new surface transportation law, MAP-21, is impacting rural transportation operators and their constituents.

Prairie Hills Transit is a company that grew from a single “old” green van that was not lift equipped and operated 4 hours daily in Spearfish for seniors. A short 23 years later, our company operates and receives local support in 15 communities located in 6 counties in the Black Hills of western South Dakota. With 38 vehicles, 50 employees, and a brand new transit facility, our growth has been

solid and stable. With your help Prairie Hills Transit can continue to grow and meet the ever increasing transportation service requests.

You asked that we let you know our feelings regarding the effect specific programs might have. Let me begin with the Bus and Bus Facilities Program. The program is much smaller than the version that existed under SAFETEA-LU. While the formula-based bus funds are appreciated, ultimately that dollar amount does not begin to touch the replacement needs of Prairie Hills Transit or other agencies in our State. It is important for you to understand that many of these vehicles consistently drive 100 to 200 miles daily for medical and employment.

Of the 38 vehicles Prairie Hills Transit operates, 22 are 2005 or older, and 17 of the 38 have 130,000 miles. A significant commitment in the investment must be made in coming years.

The safety and security requirements of MAP-21 are of real concern. Both have been a long-standing commitment of Prairie Hills Transit and the Community Transportation Association of America even before MAP-21. We are currently pursuing a 3-year accreditation by CTAA that meets the Federal Transit Administration-endorsed standards. We would encourage that the State DOTs be allowed to use the National Transit Data base as a safety reporting mechanism rather than requiring each agency to either have a part-time or full-time safety officer.

I believe that asset management plans could and should be managed by the State Department of Transportation. Guidance would make the State accountable for their sub-recipients, and this information could be entered into the National Transit Data base.

Over a year ago, we entered into a discharge contract with the primary hospital in Rapid City to get their patients home. This is a partnership that has worked extremely well for both parties, and rather than sending their patients home in an ambulance because transportation was not available, we are providing that service. It takes out the ambulance service. They can stay and do what they need to do.

Often these medical discharges require us to go long distances or even across State lines in doing that. So we feel that we are privileged a much needed service by working with the health care industry and doing that.

Recent feedback from a spokesperson said that the satisfactory really appreciates the collaborative effort, but ultimately it is a win-win for the patients themselves.

As a Medicaid provider, we help young families with children, individuals with disabilities, and a growing number of wheelchair-bound persons residing in residential living facilities, nursing homes, and assisted livings. The multitude of other services that we provide are listed in our written testimony, but they are significant and some are rather creative and innovative, we like to think.

We must begin to place a definable value and measurable outcomes for our critical medical needs. We must continue to be innovative and diversify programs our transit systems already work with.

Recently we took our youngest rider home, an 8-day-old baby, with his parents to their home about 150 miles away from Rapid

City. The other end-of-life cycle is a 103-year-old lady in Edgemont that uses transportation to get to the senior meals program every day, and we think that is a great spread.

In closing, I would like to tell you a story that has been very impactful for me. Just the other day, one of our drivers came to me and told me about a trip that he had taken, a gentleman going home from the hospital. And before he told me this story, he said, "I want you to know I told him I would pray for him." He was taking this gentleman, who had just had his leg amputated, back to his home in Eagle Butte. The gentleman had been involved in a car accident where his granddaughter died in the seat next to him. His wife died the day before his discharge from complications of the accident. So if anybody ever says all we do is provide transportation, they are wrong. Public transportation provides the whole gamut of services, all the way from getting people to home to being a support mechanism when people have no one else to turn to.

I personally take great pride in the compassion our drivers show every day and the humility it requires for us to make a difference to our counties, cities, and State. We need your help to fight the battle rural systems fight every day. Thank you so much.

Chairman JOHNSON. Thank you, Ms. Cline.

Mr. Cooper.

STATEMENT OF MICHAEL COOPER, DIRECTOR OF PLANNING AND BUILDING SERVICES, CITY OF SIOUX FALLS, SOUTH DAKOTA

Mr. COOPER. Thank you, Mr. Chairman, and on behalf of the city of Sioux Falls, thank you for hosting this hearing at our Carnegie Town Hall.

I am Mike Cooper, Director of Planning and Building Services for the city of Sioux Falls. Sioux Falls is fortunate to have a high-quality public transportation system with our Sioux Area Metro. In addition to the fixed-route system that you have heard has now exceeded over 1 million riders for the first time, our Paratransit system continues to provide quality service for those who cannot ride the fixed-route system and provides now on average almost 600 riders per weekday.

The total population growth of Sioux Falls during the last year exceeded 2,500 people and is projected to continue that rate well into the future. In order to ensure quality public transportation services, the city of Sioux Falls and Sioux Area Metro are planning for ways to maintain services to an expanding and increasingly diverse population base.

As you have heard, in just the past year, the city of Sioux Falls and the Sioux Falls MPO have completed studies to provide a plan for the future of public transit service in Sioux Falls. These studies have included the Transit System Analysis as well as the Space Needs Study. Also, the city of Sioux Falls has recently initiated a Fare and Operations Analysis to determine some of the short-term and midterm changes that are required to implement recommendations from the Transit System Analysis.

As a part of the Sioux Falls Route Analysis, three new routes and five expanded and/or modified fixed routes have been proposed to provide a higher level of service for the projected growth of Sioux

Falls. As a part of this plan for expansion, Sioux Area Metro would need to add three new transfer stations to improve route connectivity. Also, the Route Analysis recommended adding cross-town routes to connect the new transfer centers and improve regional connectivity.

This expansion would take place over the next 20 years and would create the need for 10 additional fixed-route buses and up to 18 additional Paratransit buses.

But before the expansion of these new routes is possible, Sioux Area Metro needs a major expansion of our bus storage and office facility at 6th Street and Weber Avenue. And as you heard, the estimated cost of that is going to exceed in that range of \$12 to \$13 million. This expansion was detailed in the Sioux Area Metro Space Needs Study, which was completed last year. The Space Needs Study recommends that expansion of the bus storage and office facility is essential before any expansion of our transit system can take place. As I am sure you can appreciate, security, maintenance, and efficiency of the buses is dependent on good indoor storage for our bus fleet.

Expanding transportation opportunities and enhancing the independence for people with disabilities is a high priority for Sioux Area Metro. As you have heard already, the Paratransit system is very successful in Sioux Falls and continues to be a very important piece of our overall transportation system. However, the fixed-route bus system is very efficient and also provides opportunities for greater transportation independence for all people within our community. All of our fixed-route buses are fully accessible, and bus stops throughout our service area continue to be improved to be accessible for people with disabilities. In fact, this year the city of Sioux Falls is looking at investing additional capital improvement money to upgrade 88 bus stops, and a proposal is currently being presented to the city council for authorization. The city of Sioux Falls will continue to find ways to improve the accessibility of our fixed-route system so all citizens have an opportunity for economical and quality transportation.

In closing, the full funding of MAP-21 for public transportation and transportation investments is critical for the Sioux Falls region. We look forward to working with you, Senator Johnson, on providing more information about future needs for public transit as we move forward with MAP-21.

Again, thank you on behalf of the city of Sioux Falls for this opportunity to update you on Sioux Area Metro and discuss our local community needs for quality public transportation.

Chairman JOHNSON. Thank you, Mr. Cooper.

Ms. Jennings.

**STATEMENT OF SARAH JENNINGS, STATE DIRECTOR, AARP
SOUTH DAKOTA**

Ms. JENNINGS. Thank you, Mr. Chairman, and there is less wiggling going on in the room than I expected at this point when I am last, but I will try to be concise.

But I want to first thank you and your staff for working with our national office team during MAP-21. I heard nothing but wonderful praise for how hard you worked to be really responsive to the

needs of seniors as you thought through how you were going to re-authorize this legislation.

I put a lot of specifics in my testimony about what AARP really is appreciative of regarding the formula changes and some of the policy changes that really we hope will enhance how planning works and will be even a more transparent way for folks to get involved in the process and to make sure in terms of coordination that that is really happening everywhere it needs to.

I think now we are really looking forward at implementation, and we want to be a partner with you and with the Administrator on making sure that we take full advantages of the different policies that are now in place.

You know, I think probably some people were surprised to see AARP on the witness list here, and this is an issue for us that we have worked on for a long time. It is an issue, as you have heard some of these stories here, that really is about—you know, AARP's mission is to ensure that people can age with dignity and purpose, and that means something different to everybody, whether it is getting to their job because they are continuing to work or getting to a health care appointment because they need to, seeing a grandkid or getting over to the senior center to get a meal. I mean, all of that is critically important to folks being able to age as they want, and more and more we know people want to stay in their homes, and in our State, you know, whether it is in Sioux Falls where you have some options available to you which are really wonderful, but, you know, whether you are in the most rural part of our State, you should be able to live at home if that is something that you want to do.

This is not a new issue, but we in AARP here in South Dakota are getting more involved now. I have to give a shout out to our State volunteer president, Dennis Eismach, who has been someone who has talked about this issue for a long time. And I will be honest that for a while we could not figure out how AARP South Dakota could really meaningfully contribute to this discussion and hopefully kind of move the ball forward.

I think between that and then hearing from volunteers and members and the public over the past couple years, more and more when I ask people in their community, whether it is in Rapid City or here in Sioux Falls or Hartford or up north in, you know, Aberdeen, people talk about transportation as something that they really are having challenges with, and it is not because our providers do not want to provide this service, because as you have heard here today and whenever I talk to folks, no one wants to say no. But it is just that the needs are great and the needs are growing greater all the time. And so we really want to get involved with that.

You know, I referenced in my testimony that we had our National Policy Council out here last summer, and, again, that was largely due to Dennis Eismach's tenacious advocating for folks that they really needed to come out and see what rural transportation is all about, because as we all know, when we live in South Dakota, there are a lot of folks on each coast who all they think about when they think of transit are subways and city buses. And, you know, we really opened some eyes, especially our folks from New Jersey and California when they came out here and got to see some of the

services that Barb is providing. We took them to her facility. We were up in Pierre. We went through some of the tribal lands, and we started here in Sioux Falls. And we really were able to open eyes about what the face of rural transportation is, who these people are that need the services, and why it is so critically important.

There is also just so much happening in our State right now, and as I said previously, our providers are so innovative here, and they all want to say yes. And I would also say there is a ton of volunteers out there that want to provide services. I was at a meeting with Project CAR before I came here today, and the services they provide here in Sioux Falls are really second to none. And they also talked a lot about it is beyond providing a ride. You know, this is helping ensure that we are helping people battle isolation and having that connection to the outside world, and it is critically important.

So we are moving forward and hoping that—you know, we have the vision of someday here in South Dakota, we are a State where no matter you are in your State, you can pick up the phone, call a number, and get to where you need to go. And whether that is a health care appointment, whether that is to get groceries, whether that is to go see your grandchild, or whether that is to go see a movie, we think it is important. And we know that you are partner with wanting that, and I know everybody here at the table is, too. And that is something now that AARP South Dakota really wants to work on.

We know it is not going to be easy, but it is something where we believe we can serve a role as a convener. We can certainly educate people, because I also hear that, you know, getting people to give up their car keys in South Dakota is not easy. But having folks, you know, convincing them that getting on a bus or accepting a ride from someone is a great thing to do, and, you know, in a lot of ways it actually enhances your independence, it does not hurt it.

And so we look forward to working—and also just on the policy advocacy side, you know, we would love to work with you as you go forward, and I loved the idea of making your last year and a half really a busy one as we work to make sure that rural transportation—you know, you have been a champion, and we want to make sure that that continues. And we are on board with working you hard and your team hard until your very last day.

So thanks for your leadership on this, and I would be happy to answer any questions, and I also look forward to working with you.

Chairman JOHNSON. Thank you, Ms. Jennings.

Ms. Fester, you mentioned how Paratransit is a critical link to you remaining in the workforce. Can you talk about the logistics of working with Sioux Area Metro to ensure that you get to and from work every day?

Ms. FESTER. They are very good at getting me to work on time and picking me up and taking me home. I have had very little problems, and if I do have, I just call them up, and they—we see what we can do.

Chairman JOHNSON. I do not want to have you speak for the whole community of disabled, but commonly does Paratransit work for everybody?

Ms. FESTER. So the people I come in contact with, yes, I think they try their best. You know, I think they get people to where they can go. I do not know what you are looking for. Does everybody's needs get met? Is that what you are—

Chairman JOHNSON. Across the board, is there general satisfaction with Paratransit in Sioux Falls?

Ms. FESTER. The drivers are wonderful. It takes a special person to be a driver of Paratransit.

Chairman JOHNSON. Yes, good.

Mr. Cooper, can you discuss how the city of Sioux Falls is preparing to meet the growing demand for Paratransit service and service for seniors in the community?

Mr. COOPER. Sure. We are looking at a number of action steps. One is that we continue to look at ways that we can screen people that have a need for special transportation but are still able to utilize our fixed-route system. As I mentioned in my testimony, all of our fixed-route buses are ADA accessible, and we continue to make strides in making our stops ADA accessible. But there is no doubt that the use of our Paratransit is the main increase. We are seeing that increase by about 5 percent per year, and right now it consumes about 50 percent of our transit budget in terms of operational costs while providing just under 15 percent of the ridership.

So we want to make sure that people that need it are able to use it, but we also want to make sure that people that can utilize the fixed-route bus system are able to use that.

Along with that, we want to continue to work with some of our local nonprofit agencies because a number of our Paratransit rides are going from housing to employment centers in support of local nonprofit agencies. And we are going to continue to look at ways that we can utilize services that they currently have or the facilities that we have to make our Paratransit ridership more efficient and expand the service for more riders that really need it into the future.

Chairman JOHNSON. Ms. Cline, can you describe some of your efforts to coordinate with other agencies around Spearfish and provide one-call service to your riders? Also, how is the new facility functioning? That is a softball question.

[Laughter.]

Ms. CLINE. You know, every day is a blessing with our new facility, Senator Johnson, and you were an integral part of helping us get that. But it is just an amazing place to work.

We have a One-Call Center, which for every person that needs a ride with us—and we do demand response, which means every person that gets on our bus is either picked up from a pick-up location at a home, daycare center, maybe a school, a senior center. Everybody gets door-to-door service. So the transit facility itself, every call comes into our One-Call Center, our dispatch center. Every call then is taken by a personal voice. It is logged on to the computer, and then it goes out on a tablet. So our drivers actually are working with a tablet every day to know who gets picked up and who gets dropped off.

As you may remember, in the new transit facility we have a licensed child care for 41 children. That is full. That is perfect. And so they are doing the same thing there. A lot of the parents that

need to get their children to child care or from child care to school are using our service, as well as our employees who have access to the childcare center, which is 8,000 square feet of the new transit facility.

Chairman JOHNSON. Thank you.

Ms. Featherman-Sam, all too often people in Indian country without access to a car find themselves walking along the highway for long distances. Has the transit system helped to improve the safety of travel on Pine Ridge?

Ms. FEATHERMAN-SAM. We have a deviated fixed-route system on our reservation, and we have seen a lot less people hitchhiking across our roads.

Chairman JOHNSON. Good.

Ms. FEATHERMAN-SAM. A lot of times, when the weather is cold or if it is raining or snowing, we advise the bus drivers just to pick up a passenger and ask them, you know, "If you have the fare, please pay the fare. If you do not, next time you get on, if you could throw an extra dollar or two in, we would appreciate it."

And so I think that for us on our reservation, because we—the communities are kind of few and far between, but there are still homes between those little villages, and so a lot of the people come out to the main highway where our bus routes are and will flag a bus down to go someplace on a reservation.

We also transport—you know, one of the problems that we have is we have a few people that still like to drink, and so, you know, we try to transport those persons, and we have not had any problems with transporting inebriated passengers, mainly because when they first get on—the bus drivers know just about everybody. I think anywhere in a rural area you know all your passengers by their first name. And so our bus drivers will inform them that they can get on, but if they pose any kind of problems, we call the public safety in, and they will take care of them. So we have just not had any problems with anybody. We do not have that many passengers, but, you know, we do allow them because we think that it is safer for them to be riding with us than trying to walk along the road or trying to get in a vehicle and drive.

Chairman JOHNSON. OK. Ms. Forbes, how would SECOG transportation planning efforts change if the Federal Government's commitment to transportation investment faltered, especially if smaller metropolitan planning organizations were eliminated?

Ms. FORBES. Sure. Obviously, everybody talks about working well together in coordination and all of those kinds of things. But coordination and planning cost money, and if that money or that financial incentive were to go away, it is going to get more difficult to bring people to the table to do that. And lots of the examples that I gave you earlier today are studies that need to be done. I believe that a lot of those studies probably particularly in the city of Sioux Falls, which has greater resources maybe than some of the outlying communities, some of those studies will probably still be done. But it may take some delays, and it certainly may not be as thorough a study as what we are able to do right now. But I do think it would certainly hinder the coordination and particularly some of the planning efforts that are going on in some of our bedroom communities that are still very important for the transpor-

tation in the city of Sioux Falls, but certainly do not have the resources probably to do as good a job on their own without the Federal funding through the MPO.

Chairman JOHNSON. Ms. Jennings, AARP has stated transit options for seniors in South Dakota. Can you offer some additional examples of how better coordination of transportation services improves the travel of our seniors?

Ms. JENNINGS. Sure. You know, I can think of a couple. The first I would look that up from my testimony is just—you know, when we had our National Policy Council here and we went to the hospitals and had conversations with them about, you know, how just the link between health care and transportation and how it is such an important one. Hearing the stories when we were at the Avera Cancer Center about how women who are traveling, you know, hundreds of miles to the center for treatment are choosing their treatment based on their transportation options, or lack thereof. And, you know, that to me was a really eye-opening statistic, that here in South Dakota we have more women choosing to get a mastectomy simply because they cannot find the transportation or do not want to deal with it because it is much more complex than they feel like they can handle in their lives. So they are choosing to undergo a much more—they are choosing mastectomy over radiation, you know, not at the suggestion of their doctor but simply because the transportation options are not there.

And that same example, I was, you know, really impressed with the staff team there because they have social workers working with all these patients to figure out what the transportation options are. But, again, it sort of, you know, kind of occurred to me that I am like these social workers should be, you know, working with the family to just get through the stressful time and spending more time on that and less time on figuring out how to coordinate a patient's transportation. Again, that is why you come back to if there was a place where these folks can call, the social worker can make one call, and we would all figure it out on the back end, and you would get those folks the care they need.

You know, here in Sioux Falls, we are blessed with we do have a great system, but it does not meet every need, and you do have folks who, you know, are trying to get from Point A to Point B, and maybe they are not on a fixed-route, and so they do get to—you know, and we do have a lot of organizations here in town who will provide rides a lot with using volunteer drivers. But in some cases, you know, I have heard the stories of, "Well, I did not quite qualify for that income guideline," or, you know, "they stop driving at 4, and I needed to get there at 5." And there is just a lot of that kind of thing, which, again, I think that the desire is there to get everybody where they want to go, and I actually think the people, the vehicles, everything is there here in Sioux Falls, and we do have a Coordination Council here in Sioux Falls that we are trying to get our arms around all these issues as well.

But, you know, as you know, it is messy, it is complicated, but, you know, I would give those as two examples here in the State—you know, one in our big city and I think one that really affects more of our rural residents, how if we had an even better coordinated system, we could really improve the lives of seniors.

Chairman JOHNSON. Mr. Cooper, what do you consider to be the biggest challenge in maintaining and growing SAM transit services going forward?

Mr. COOPER. I think the biggest challenge we have identified in some of our analysis over the last year is that because of the geographical expansion of our city, with employment centers, with affordable housing locations, and with a typically South Dakota kind of low-density population, even though we are a bigger city, that as the need or the request for those transit services come to us, in some cases it is difficult to justify adding a route or amending a route. But we are looking at that. We have identified some initiatives, as I testified, that we could look forward to. But it is based on funding ability in terms of our operation budget. We are going to continue to look at that locally, how we can accommodate that in the future by making our current routes more effective and possibly freeing up funding that we can use for expanded routes.

But then, in addition, we are going to be needing those capital facilities involving the buses and the expansion of our bus facility. And, again, we are hoping that we can provide that through our Federal funding programs that are going to be available.

Chairman JOHNSON. Ms. Cline, what is your biggest challenge in a moderate-sized town to maintaining and growing services at Prairie Hills?

Ms. CLINE. Not having enough time to do everything I want to do.

Chairman JOHNSON. Yes.

Ms. CLINE. You know, I think with every challenge comes rewards, and we always are trying to do more. And as far as the coordination with that same piece, we keep trying to work with more and more agencies, more and more organizations, and oftentimes you need to wait until the leadership in a particular agency or organization changes. There is oftentimes a reluctance to put the people that we support on public transit buses or, you know, I do not want my child riding with Grandma and Grandpa.

So sometimes the littlest things take the most effort and time, but all in all, I think, you know, every day is a great day; we are able to meet.

Chairman JOHNSON. OK. Thank you.

Ms. Featherman-Sam, what level of ridership do you predict in the coming years? And can you elaborate on the usage you have seen from younger users like students or younger workers?

Ms. FEATHERMAN-SAM. Back in 2000, the 2000 census stated that 51 percent of the population on the Pine Ridge Indian Reservation was under the age of 16. So, you know, here we have a whole group of people that are now in their 20s, and, you know, I think in 2010, again, the population is even—or just as high as it was back in 2010 for those young people.

We have a lot of students that ride our transit system, either just trying to get from one class to another, we transport college students because we have a decentralized college on our reservation, so there is a college center in nine of the different districts across the reservation. So we have a lot of those kinds of students, whether they are, you know, just out of high school, college students, or the older college students that use our transit system.

I think that as we go through, probably our biggest challenge in trying to get people to use the transit system has been for them to learn how to use it. And now that it has been surprising that we have had elders over the age of 60, we have—27 percent of our riders are elders. And it is just surprising because they are the ones, I think, you know, just based on wanting to be independent, they just got out there and learned how to do the transfers from one route to another to get to different places. And, you know, they have really surprised us because they are just willing to do what they have to do to get to where they got to go.

We have one lady who comes in from an area called Manderson. She comes in to Pine Ridge, and she goes to Martin, to her bank, and all this is in the morning. She comes in in the morning. And then she takes her check and gets her money, and she heads back out to the casino, and she comes back. And toward evening time, she catches that 4 o'clock bus back from the casino, and she is ready—back when they used to have bingo there in Pine Ridge, she was ready for bingo in the evening.

So, you know, that is the elders that are out there, and they really surprised me at how much independence they have gotten from a transit system like this. And I think they are really influencing the younger people in using the transit system. Every birthday we have—and thank you for your letter on our birthday—we provide free rides all day long. And, you know, if we could get as many riders that we get on our birthday every day of the week, we would be really doing well. This year we had 306 passengers on that 1 day, and, of course, we had cake and ice cream and coffee. So I think that really drew them in.

And, still, you know, the elders are there. They are always coming in and sitting in our lobby and talking to other passengers as they come through. So I think that is where, as we teach more and more people how to use transit, we will be getting more and more passengers.

Chairman JOHNSON. Mr. Rogoff, do you have any closing comments or responses to give?

Mr. ROGOFF. Well, thanks for the opportunity, Mr. Chairman. I think what I have been hearing here is the services that we have, the services that the current funding streams can afford, are being deployed in an efficient way and people are thinking about getting more bang for the dollar, more passengers served for the available dollars. But what I have also heard is how much upside potential there is.

And when you look at some of the demographics specifically for South Dakota, Ms. Featherman-Sam talked about the elders on the reservation, but it is also true that the elderly population of South Dakota is expected to grow from about something 15 to 16 percent now to almost 24 percent in the next few years, and demand is only going to go up. And in order for those people to have the maximum beneficial quality of life at the least expense to the taxpayer, letting them be at home and having transit services that enable them to be at home is going to be critical. So that I think is probably the next big agenda item for MAP-22 or whatever we are going to call it.

Thank you.

Chairman JOHNSON. Thank you.
I would like to thank all of our witnesses for being here today.
This hearing is adjourned.
[Whereupon, at 3:36 p.m., the hearing was adjourned.]
[Prepared statements supplied for the record follow:]

PREPARED STATEMENT OF PETER M. ROGOFFADMINISTRATOR, FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF
TRANSPORTATION

MARCH 28, 2013

Thank you, Chairman Johnson, for the opportunity to appear before you today to discuss how we can work together to improve access to good transportation choices in rural areas, tribal lands, and urbanized centers, including Sioux Falls and communities across South Dakota.

The Administration recognizes that public transportation in rural areas functions not as a luxury but as a lifeline for low-income working families, seniors, veterans, individuals with disabilities, tribal residents, and others. Many people living in rural and tribal communities can ill-afford to travel considerable distances to work and other destinations. It is not surprising that, given these constraints, demand for public transportation in these areas has been rising over the last 4 years. Between 2008 and 2012, the number of rural transit operators in the United States grew by nearly 6 percent, and 10 percent more trips are being provided, totaling 142 million trips last year.

The Department's Federal Transit Administration (FTA) anticipates that demand for rural service will continue to rise, and we need legislative and policy solutions to deliver the transportation solutions that rural America needs. On July 6, 2012, President Obama signed the Moving Ahead for Progress in the 21st Century Act (MAP-21) into law, reauthorizing public transportation and other surface transportation programs through fiscal year (FY) 2014. MAP-21 enables us to implement many bold new policies to strengthen and streamline public transportation, including, importantly, bringing an additional \$1.2 billion to rural communities and Indian reservations over the next 2 years.

I want to thank you, Mr. Chairman, for supporting the passage of MAP-21. You, together with other Members of the Senate Committee on Banking, Housing, and Urban Affairs, worked toward bipartisan and bicameral agreement on this very important transportation bill because you understood that its enactment would improve access to public transportation and create and support jobs at a time when we need them most.

MAP-21

Enactment of MAP-21 signals an opportunity for us to work collectively to strengthen our transit systems and better serve the American public. MAP-21, which took effect on October 1, 2012, authorizes \$10.6 billion in FY2013 and \$10.7 billion in FY2014 for public transportation. The law furthers several important goals in the crucial areas of safety, state of good repair, emergency relief, program streamlining, and program efficiency.

FTA has made a significant start toward implementation of MAP-21 within the law's first 6 months by applying key provisions and providing guidance to States, metropolitan planning organizations, transit agencies, including rural providers, and Indian tribes. We have an active and engaged legislative implementation team and an aggressive timetable in place.

More specifically, FTA has published considerable information on its Web site that, among other things, address MAP-21 programs relevant to public transportation providers in small urbanized areas, rural areas and tribal lands. On October 16, 2012, we published in the *Federal Register*, a "Notice of FTA Transit Program Changes, Authorized Funding Levels and Implementation of the Moving Ahead for Progress in the 21st Century Act (MAP-21) and FTA Fiscal Year Apportionments, Allocations, Program Information and Interim Guidance". On November 9, 2012, we published a *Federal Register* Notice regarding the FY2013 Public Transportation on Indian Reservations Program and we are currently considering comments received from interested parties. FTA is also working to implement MAP-21 through regulation where necessary and by updating guidance through its circulars. FTA anticipates that it will have updated the circular for the enhanced mobility of seniors and individuals with disabilities as well as the rural area formula grants circular during this fiscal year.

I would like to highlight the MAP-21 changes that will benefit the rural areas and tribal lands like those in South Dakota, as well as urban centers such as Sioux Falls and Rapid City.

Formula Grants for Rural Areas (Section 5311)

MAP-21 increases rural area formula funds by 29 percent, from \$465 million to \$600 million. (By comparison, under MAP-21, urbanized area formula funds increased by 6 percent.) Funding increased for rural areas because we recognize that

public transportation in these areas is urgently needed, especially for residents who do not have access to personal vehicles. Public transportation is important for providing links between workers and rural area employers, and encouraging rural economic development. Further, public transportation in rural areas can provide links to urban areas and provide access to opportunities found in those areas.

As in prior authorizations, such as Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), the Formula Grants for Rural Areas program continues to provide capital and operating assistance to support public transportation in rural areas, defined as areas with fewer than 50,000 residents, and on tribal lands. In addition, MAP-21 now allows these program funds to be used for planning activities, as well as for Job Access and Reverse Commute program activities (JARC) for low-income individuals. Consolidating JARC activities into the Rural Areas Formula program provides more funding flexibility at the local level. Funding for the rural program is based on a formula that uses land area, population, including the number of low-income individuals residing in rural areas, and the provision of transit service. MAP-21 provides total funding of \$600 million in FY2013 and \$608 million in FY2014. Subject to appropriations, in FY2013, the State of South Dakota can expect to receive an apportionment of \$5.9 million for transit service provided in rural areas and on tribal lands. This is 17 percent higher than the amount apportioned to the State under this program in the last fiscal year.

A State may use up to 10 percent of the amount apportioned to it for purposes of administering the Rural Area Formula program and to provide technical assistance to rural and tribal grantees. Technical assistance includes project planning, program and management development, coordination of public transportation programs, and research the State considers appropriate to promote public transportation service.

In addition, the Rural Transit Assistance Program (RTAP) provides funds for technical assistance, training, and related support services tailored to meet the needs of transit operators in rural areas and on tribal lands. The program is funded with a 2 percent takedown from the amount available to carry out the Rural Areas Formula program. From the amounts made available for RTAP, FTA may use up to 15 percent to carry out competitively selected projects of a national scope with the remaining balance allocated to the States. In addition to the eligible activities identified above, a State may use RTAP funds for special projects that support its planning program for rural areas and tribal lands. Similarly, a State may use its statewide planning funds to support or supplement the technical assistance program it provides through RTAP.

South Dakota will have \$149,934 available for RTAP purposes in FY2013, which is 37 percent more than was available to the State for this program in FY2012.

Tribal Program

The Administration understands that access to reliable, affordable transportation is a high priority for Indian Country. We want to ensure that every American Indian or Alaskan native who needs a ride to earn a paycheck, attend school, see the doctor, visit sacred places, or buy groceries has that opportunity. To that end, in December 2012, Secretary LaHood announced the American Indian and Alaska Native tribe projects that were competitively selected to receive \$15.5 million in FTA's Tribal Transit Program funds. The Cheyenne River Sioux Tribe, one of 72 tribes selected to receive funds, was awarded \$350,000 to continue to provide public transit service to the growing number of tribal members and the general public who use it to travel to employment, education, medical care and other services in Eagle Butte and surrounding rural areas.

MAP-21 doubles the funds available for the Tribal Transit program from \$15 million in FY2012 to \$30 million in FY2013 and FY2014. Under MAP-21, \$25 million of the \$30 million available for the program is distributed by formula. The remaining \$5 million is provided for a discretionary grant program, and we encourage Indian tribes to apply for this funding as well. This resource will improve tribal public transportation in South Dakota and many other tribal areas throughout the United States. Tribal Transit program funds may be awarded for capital, operating, planning, job access and reverse commute projects, and administrative assistance for rural and tribal public transit services and rural intercity bus service.

MAP-21 States that Indian tribes providing public transportation shall be apportioned funds consistent with formula factors that include vehicle revenue miles and the number of low-income individuals residing on tribal lands. Funds apportioned pursuant to the formula will provide Indian tribes operating public transportation with a steady and predictable stream of funding. FTA has actively reached out to tribal and rural stakeholders to discuss the impact of proposed program changes and funding priorities and is currently considering comments before finalizing a for-

mula allocation methodology. However, based on an illustrative formula, South Dakota tribes are to receive approximately \$1.9 million in formula funds for FY2013 compared to FY2012 when only \$1.3 million in discretionary funds were available for allocation. This represents a 29 percent increase in funds to the South Dakota tribes in FY2013. MAP-21 also provided FTA with the authority to determine the terms and conditions of grant awards under Tribal Transit programs. As a result, FTA is also considering comments received from interested tribal officials and other stakeholders regarding grant requirements and building the technical capacity of tribal grantees. A *Federal Register* notice will be issued soon to provide program structure and guidance, final formula allocations, and terms and conditions for the formula and discretionary programs.

In addition to the funds available to South Dakota residents and Cheyenne River Sioux Tribe for public transportation under MAP-21, the Department of Transportation (DOT) also awarded \$1 million in National Infrastructure Investment funds to the Yankton Sioux Tribe in rural Marty to construct a new transit facility. The award was made through the fourth round of DOT's highly competitive Transportation Investment Generating Economic Recovery (TIGER) grant program. The facility will expand transportation options in this underserved and economically distressed Native American community. FTA will continue to work with Yankton tribal representative to ensure the successful completion of this project.

Formula Grants for the Enhanced Mobility of Seniors and Individuals With Disabilities (Section 5310)

The Enhanced Mobility of Seniors and Individuals with Disabilities program provides formula funding to increase the mobility of seniors and persons with disabilities. MAP-21 merges the former New Freedom program, which provided grants for services for individuals with disabilities that went above and beyond the requirements of the Americans with Disabilities Act (ADA), with this program. Enhanced Mobility program funds are apportioned based on each State's share of the respective target populations and are now apportioned to both States (for all areas under 200,000 in population) and large urbanized areas (with 200,000 or more in population). Projects selected for funding must be included in a locally developed, coordinated public transit-human services transportation plan; and the competitive selection process, which was required under the former New Freedom program, is now optional. At least 55 percent of program funds must be spent on capital public transportation projects planned, designed, and carried out to meet the access and functional needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable. The remaining funds may be used for public transportation projects that exceed the requirements of the ADA; public transportation projects that improve access to fixed-route service and decrease reliance by individuals with disabilities on complementary paratransit (a comparable service to public transportation required by the ADA for individuals with disabilities who are unable to use fixed route transportation systems); or, alternatives to public transportation that assist seniors and individuals with disabilities.

The State of South Dakota can expect to receive \$624,500 in FY2013 to carry out this program. This is 5.8 percent decrease in the amount of funds South Dakota received under the former Elderly Individuals and Individuals with Disabilities (E&D) program and New Freedom programs in FY2012. Under the former E&D program, each State was guaranteed a minimum of \$125,000. This is not the case under the MAP-21 formula, which distributes 60 percent of the program funds to large urbanized areas (over 200,000 in population), 20 percent to small urbanized areas, and 20 percent to rural areas. South Dakota does not have any large urbanized areas.

Coordinated Transportation

The South Eastern Council of Governments and City of Sioux Falls prepared the "Sioux Falls MPO Area Coordinated Public Transit—Human Services Transportation Plan" that was published on September 25, 2008. The plan, which is to be updated every 5 years, acknowledges that the transportation stakeholders in the Sioux Falls MPO region "have recognized the benefits of transportation coordination." Ten to 15 years prior to the development of the plan, several agencies met to develop strategies for making transportation services more efficient. FTA applauds transportation entities that have long strived to serve seniors, individuals with disabilities, and low-income individuals in the Sioux Falls area. The plan also notes that transportation for these targeted populations is provided primarily within the city limits of Sioux Falls and, with minor exceptions, little transportation is available to the residents of the MPO region's less populated areas.

Senior and medical transportation is vitally important to the Nation's growing senior population and citizens suffering debilitating illnesses and chronic diseases.

In South Dakota, 14.6 percent of the population is 65 or older and this segment of the population is projected to grow to 23.1 percent by 2030. We need to support seniors who want to continue living in communities they call home. This requires human services policies and programs that work for the traveling public, including seniors, individuals with disabilities, and all those seeking medical care. Moreover, transportation services focused on these populations are often fragmented, underutilized, or difficult to navigate, and can be costly because of inconsistent, duplicative, and often restrictive Federal and State program rules and regulations. And, in some cases, narrowly focused programs leave service gaps and the available transportation services are simply not able to meet certain needs. We are working to determine how best to integrate the full range of mobility needs, which include ADA paratransit, transportation for seniors, and medical transport programs, with public transportation operations and plans. This means focusing on the customer and coordinating the best solutions with public and private operators and volunteer programs in the mix, as well as coordinating with other Federal agencies that fund transportation for these targeted populations.

MAP-21 continues the requirement that, to the maximum extent feasible, FTA should coordinate activities funded under the Enhanced Mobility program with similar transportation activities provided by other Federal agencies. In addition, and as recommended by United States Government Accountability Office last summer, the Federal Interagency Coordinating Council on Access and Mobility (CCAM), chaired by the Secretary of Transportation and including representatives from 11 Federal agencies, has developed a Strategic Action Plan to promote human services programs. The CCAM Strategic Plan builds on our progress to cooperatively improve mobility and community accessibility for seniors, individuals with disabilities, and low income persons and families. The Plan encourages the creation and growth of coordinated transportation networks that provide simplified access to health and wellness, jobs, and community services. One of the objectives of the Plan is to improve the health outcomes of Americans by enhancing transportation service coordination to improve access to health and wellness resources and reduce risks of institutionalization. Another objective is to stimulate local business, economic and transportation organizational partnerships to help dislocated workers and others seeking to rejoin the workforce get the transportation options they need to reach job opportunities and training. The CCAM centerpiece is the Veterans Transportation and Community Living Initiative, which complements the Obama Administration's Joining Forces initiative led by First Lady Michelle Obama and Dr. Jill Biden. It addresses the Administration's challenge to all Federal agencies to harness program resources and expertise to improve the quality of military family life and to help communities more effectively support military families. The Veterans Transportation and Community Living Initiative is an innovative, federally coordinated partnership that will make it easier for U.S. veterans, active service members, military families, and others with disabilities to learn about and arrange for locally available transportation services that connect them with work, education, health care, and other vital services in their communities. Through this initiative, FTA has made \$63.6 million in discretionary funds available to local governmental agencies to finance the capital costs of implementing, expanding, or increasing access to, and coordination of, local transportation resources. Of this amount, South Dakota received approximately \$1.2 million over the last 3 years.

Meeting these objectives will help to ensure that the needs of disadvantaged individuals are addressed in current and future Federal programs. In furtherance of this goal, the Department and its partners at the U.S. Departments of Health and Human Services, Labor, and Education support a range of technical assistance initiatives for coordinating human service transportation. Programs and centers are charged with providing training, resources, and direct assistance to communities and States interested in enhancing the mobility and transportation options for all citizens, including older adults, individuals with disabilities, and people with lower incomes.

FTA will continue to work through interagency partnerships to coordinate transportation needs to help increase the quality of life for older citizens, individuals with disabilities, and people with low incomes.

Grantee Safety Plans (Section 5329)

Secretary LaHood has stated that "safety is our highest priority and we are committed to keeping transit one of the safest modes of transportation in the Nation." FTA is pleased that MAP-21 includes important safety provisions for rail and bus-only operators, and requires all recipients of FTA funding to develop agency safety plans. FTA will work to adapt its comprehensive safety approach to all modes of public transportation within its safety authority. Specifically, we will work to ensure

that the bus segment of public transportation, upon which millions of riders depend every day, receives the resources, tools and technical assistance it too will need to ensure the safety of the riding public. Also, because we recognize that one size does not fit for all transit operators, the safety plan for rural recipients and small public transportation providers or systems may be drafted or certified by the State.

FTA looks forward to implementing the new safety law in consultation with the transit industry and our Transit Rail Advisory Committee for Safety (TRACS), which has been working to help guide this effort since September 2010.

State of Good Repair Grants (Section 5337)

The Administration supports a groundbreaking commitment not only to expand transit options for Americans, but just as importantly, to maintain the Nation's transit systems in a state of good repair. For example, last September, Secretary LaHood and I, together with State and local officials, toured a significantly modernized and expanded River Cities Transit Facility, constructed in part with a \$5 million grant from FTA. River Cities Transit ridership grew more than six-fold between 2008 and 2012, making the upgrades to the system more important than ever before. This system has a service radius of 100 miles, and that means a service area of bus and transit vans covering more than 31,000 square miles, serving people living in 11 counties in central South Dakota, including seniors, people with disabilities, veterans and the Cheyenne River Sioux and Lower Brule Sioux tribes.

Through the American Recovery and Reinvestment Act, South Dakota received approximately \$11.5 million in formula funds of which 70 percent were for rural areas in the State and were used for critical infrastructure replacement and expansion needs. Recipients in South Dakota also received over \$6 million from FTA's FY2011 and FY2012 State of Good Repair Initiative. River Cities Public Transit also received a total of \$319,200 in FY2011 and \$369,200 in FY2012 and Prairie Hills Transit received \$213,680 through FTA's Veterans Transportation and Community Living Initiative to improve transit scheduling and outreach to transit-dependent veterans.

Consistent with the President's request, MAP-21 establishes a new grant program to maintain public transportation fixed guideway and high intensity bus systems in a state of good repair. According to the statute, once a final rule implementing the State of Good Repair program is issued, projects must be included in a transit asset management plan to receive funding allocations. MAP-21 authorized \$2.1 billion in FY2013 and \$2.2 billion in FY2014 for this program. Funds will be apportioned consistent with a new statutory formula program, which includes a new tier for high-intensity bus.

Asset Management Provisions (Section 5326)

Asset management was a priority for FTA long before MAP-21. The \$78 billion repair and maintenance backlog that FTA's research identified in 2008 has likely increased by as much as 10 percent in recent years. FTA recognizes that, while a sustained Federal contribution to our state of good repair needs is in the interest of our Nation's public transportation systems, this problem cannot be solved by Federal action alone. Tackling this problem requires a concerted effort by Federal, State, and local resources in a coordinated, strategic manner. That is why FTA is establishing a national Transit Asset Management System. The new section 5326 Transit Asset Management program established under MAP-21 is vitally important to carrying out these infrastructure investments effectively and responsibly. MAP-21 requires FTA to define the term "state of good repair" and create objective standards for measuring the condition of capital assets, including equipment, rolling stock, infrastructure, and facilities. Based on that definition, FTA must then develop performance measures under which all FTA grantees will be required to set targets. This innovative program requires all FTA funding recipients to adopt a structured approach for managing their capital assets and be accountable for leveraging all available resources to bring their systems into a state of good repair. FTA will support this effort through technical assistance, including the development of an analytical process or decision support tool that allows recipients to estimate their capital investment needs.

FTA has reached out to stakeholders to determine ways in which transit asset management systems can be tailored to small operators that typically provide service in small urbanized and rural areas as well as on tribal lands, and we will continue to do so. Most recently, FTA organized a focus group conference call with small operators in conjunction with the Community Transportation Association of America (CTAA). We also hosted an online dialogue in which more than 700 stakeholders participated, contributing more than 200 ideas and comments, and providing nearly 1,500 feedback votes on the ideas and comments that were submitted.

The next step in our outreach efforts will be a rulemaking on Transit Asset Management. FTA strongly encourages small transit operators to provide comments on the rule once it becomes available.

Emergency Relief Program (Section 5324)

Nowhere has FTA made more aggressive progress in implementing the provisions of MAP-21 than in the area of emergency relief. The President's Budget first proposed in FY2012 a new emergency relief program for the FTA to parallel a similar capability in the Federal Highway Administration. The Budget proposed this program to strengthen the agency's authority to provide disaster assistance to transit agencies in the wake of major natural disasters and other emergencies, and the program was authorized by Congress in MAP-21. The authorization of this new program arrived just in time for Hurricane Sandy, which was the worst public transit disaster in the history of the United States. Hurricane Sandy devastated transportation systems in the hardest-hit parts of New York and New Jersey—which together represent more than one-third of our Nation's transit ridership—and triggered a very rapid implementation path for the program. More generally, however, this program helps States and public transportation systems pay for protecting, repairing, and/or replacing equipment and facilities that may suffer or have suffered serious damage as a result of an emergency, including natural disasters such as floods, hurricanes, and tornadoes. It will be available to the Sioux Falls transit community should the need arise.

Urbanized Area Formula Grants (Section 5307)

The largest of FTA's grant programs, this program provides grants to urbanized areas to support public transportation. Funding is distributed by formula based on the level of transit service provision, population, and other factors. MAP-21 provides total funding of \$4.9 billion in FY2013 and \$5 billion in FY2014. The program remains largely unchanged with a few exceptions. Job access and reverse commute activities providing services to low-income individuals to access jobs have been consolidated into this program and are now an eligible expense. MAP-21 expanded eligibility for operating expenses for systems with 100 or fewer buses in urbanized areas with populations of 200,000 or more. Operating assistance remains an eligible activity for small urbanized areas, such as Sioux Falls and Rapid City. Based on the apportionment formula, South Dakota will receive approximately \$3.6 million in urbanized area formula funds for allocation to its small urbanized areas in FY2013. This is a 16 percent increase over the amount apportioned to the State for those areas last fiscal year.

Bus and Bus Facilities Program (Section 5339)

MAP-21 followed the Administration's request to fold the discretionary bus program into a formula program. This capital program provides funding to replace, rehabilitate, and purchase buses and related equipment, and to construct bus-related facilities. MAP-21 authorized \$422 million in FY2013 and \$428 million in FY2014. Each fiscal year, each State will be allocated \$1.25 million and each territory (including DC and Puerto Rico) will receive \$500,000. The remaining funds will be distributed by formula. Funds are available to eligible recipients that operate or allocate funding to fixed-route bus operators. Eligible subrecipients include public agencies or private nonprofit organizations engaged in public transportation, including those providing services open to a segment of the general public, as defined by age, disability, or low income.

In FY2013, South Dakota is projected to receive a statewide allocation of \$1.25 million under this program. These funds can be used anywhere in the State, including for projects in rural areas and on tribal lands. South Dakota's urbanized areas are projected to receive \$385,882 in bus funds. These funds are allocated to the State and the State can distribute them among the urbanized areas based on a locally determined process.

We at FTA look forward to working with our stakeholders to address the challenges laid out for us by Congress and the President in MAP-21. I will be happy to answer questions.

PREPARED STATEMENT OF DARIN BERGQUIST

SECRETARY, SOUTH DAKOTA DEPARTMENT OF TRANSPORTATION

MARCH 28, 2013

Chairman Johnson, I am Darin Bergquist, Secretary of the South Dakota Department of Transportation (SDDOT). Thanks for this opportunity to appear before the

Committee. Today, I'll begin by commenting on the Federal surface transportation authorization legislation enacted last summer, "MAP-21" (the "Moving Ahead for Progress in the 21st Century Act"). However, as MAP-21's funding authorizations extend only through September 30, 2014, I'll also comment on the next highway and transit authorization bill.

Mr. Chairman, our overall view of MAP-21 is positive. As a Committee Chair you had a strong role in the development of the legislation and we appreciate those efforts. We also deeply appreciate the efforts of the entire South Dakota congressional delegation on this law. Let me outline why we have a positive view of MAP-21.

Key Provisions of MAP-21 for South Dakota

Very Importantly, South Dakota's Highway Formula Share Was Preserved Under MAP-21. With our long stretches of highway helping connect the Nation, and with relatively few people to support that extensive network of Federal-aid highways, our State has always received a higher share of Federal highway apportionments than its share of contributions to the Highway Trust Fund. That result is in the national interest, but we don't take it for granted. Maintaining the State's highway formula share helps the SDDOT respond to transportation needs and provide quality transportation options to our citizens and businesses. In addition, buses and vans deliver all of South Dakota's transit services, and good highways are essential to support those services.

Also Importantly, South Dakota Received an Increase in Transit Formula Funding Under MAP-21. The increase in South Dakota's share of the transit program is a very good result—and, again, a meritorious one. As the Committee that you chair, Senator, has jurisdiction over the transit program, we want to express our particular appreciation for your work on MAP-21 to increase transit funding for South Dakota, other rural States, and tribes. Transit is not just for big metropolitan areas. It is important in rural States as well. MAP-21's transit funding provisions will help provide more effective options to South Dakotans by enabling transit providers across our State to better meet the needs of senior citizens, people with disabilities, those who can't afford personal vehicles, and others.

MAP-21 Provided Some Program Stability. By providing authorizations through September of 2014, MAP-21 supplied some stability for administration of transportation programs. Until MAP-21 became law, the SDDOT and others were operating under Federal transportation programs funded through short-term extensions of a few months. This created administrative and funding challenges, as our Department inevitably had to focus on short-term projects needing only small funding amounts.

MAP-21 also set overall funding levels for the highway and transit programs at approximately the levels of immediately prior authorizing legislation and improved our State's transit funding. Transportation infrastructure funding provides jobs during construction and facilitates long-term economic growth after construction by improving efficiency and personal mobility. As you know, Mr. Chairman, at various times in the debate over what became MAP-21, some discussed significant reductions in surface transportation funding. We are pleased that did not occur. Let me be clear, if funding could be increased, we could put those funds to good use efficiently in South Dakota. But, under the circumstances, we consider the overall program levels in MAP-21 to be a positive result for this 2-year period. However, as I will discuss in a moment, we are concerned that highway and transportation programs face funding uncertainty again, this time for the years after Federal Fiscal Year (FFY) 2014. We need to continue to look for funding stability and, at a minimum, maintain current funding levels.

Improved Environmental Review Process Is Welcome. We are also pleased that aspects of MAP-21 require administrative action to expedite or simplify the environmental review process. USDOT is directed to provide categorical exclusions from NEPA review for, among others: projects within an "operational right-of-way"; and projects with a Federal contribution of less than five million dollars. Many of SDDOT's projects should benefit from these two provisions.

Program Consolidation and Flexibility Is Helpful. Many elements of the Federal highway program have been modified and combined into a smaller number of programs. This helps simplify the program. More importantly, significant transferability between programs has been maintained. In addition, MAP-21 increased the percentage of the overall highway and transit programs distributed by formula—a positive change. Collectively, these features mean State DOTs will have reasonable flexibility in programming Federal funds.

Looking Ahead—New Legislation and MAP-21 Implementation

In formulating the next highway and transit authorization it is critically important to achieve a good funding solution. I have already noted that, in crafting MAP-

21, Congress found a way to avert large cuts and essentially continued funding levels for highways, transit, and highway safety.

Yet, as we meet here today, the transportation community is already discussing the importance of avoiding a catastrophic drop in funding for these programs due to the decreasing balances in the Highway Trust Fund and the fund's projected inability to support current funding past FFY2014—and maybe not even until the very end of FFY2014.

While the highway program was largely (though not completely) exempted from sequestration, transfers into the Highway Trust Fund authorized by MAP-21 were subject to a reduction, increasing the risk that the trust fund may not be able to support MAP-21 funding levels through the end of FFY2014.

In short, what is needed is a stable funding situation going forward, with funding at least at current levels, if not higher, as there are substantial needs for transportation investment here in South Dakota as well as elsewhere. We can't let highway program funding levels fall off a cliff after FFY2014.

Before turning to other issues, let me mention that the debate on the next authorization bill could have some impact on the real world even before Congress acts on such legislation. For example, our contractor partners in the private sector construction industry have important decisions to make regarding acquisition of equipment and the sizing of their workforce. If the uncertain future funding is not addressed, it will impact those decisions next year, in 2014. Similarly, it will impact our fall 2014 project lettings and plans at South Dakota DOT regarding the program for FFY2015 and later. We want to remain hopeful of a good outcome, but all concerned will have to watch and plan accordingly.

Beyond funding, while I have noted positive features in MAP-21, some provisions of the legislation impose new requirements, or require USDOT to develop new requirements. We are hopeful, but not certain, that new provisions will be implemented in a nonburdensome manner.

For example, Congress tasked USDOT to develop a number of "performance measures" and to require States to set targets for performance based on those measures. These and other "performance management" initiatives in the law (such as asset management requirements) could require considerable attention and effort, especially if USDOT is too prescriptive in implementation.

Similarly, new provisions regarding freight transportation may result in additional data collection, planning, and consultation. Last fall USDOT issued interim guidance for State freight plans, setting forth steps that a State should take to qualify for a reduced non-Federal match on certain projects. The interim guidance unfortunately included many elements in addition to those required in statute.

Moreover, we encourage USDOT freight planning efforts to go beyond issues such as container movements in and out of ports (those are predominantly import moves). Any national freight planning efforts must recognize that moving agricultural and natural resource products from farms and extraction points in States like South Dakota to national and world export markets is an important national freight concern.

However, whether the issue is freight planning, performance measurement or something else, the key point is that if new Federal requirements can be minimized, SDDOT will be able to spend relatively less time on administrative compliance and will be better able to focus on improving transportation for South Dakota's citizens and businesses.

Safety is always a priority for us and MAP-21 includes new transit safety provisions. However, we are hopeful that implementation of the new Federal transit safety requirements in MAP-21 will be properly scaled to the problem at hand. In South Dakota, in the last 7 years the one fatal incident involving a transit vehicle was caused by the nontransit vehicle. We are hopeful that new regulations will not impose on our small transit systems complex safety or asset management requirements that are more appropriate for large city transit systems. Frankly, we think an efficient performance-based system would impose no new requirements, or only very few requirements, on small transit systems, as they are already experiencing safe outcomes.

In any event, I want to assure you and those in the South Dakota transportation community that the SDDOT is working closely with small and tribal transit providers and other interested parties in implementing MAP-21.

Looking Further Ahead—South Dakota's Continuing Interests in the Federal Surface Transportation Programs

Before closing, let me offer a few perspectives on the long-term interest of South Dakota in the Federal surface transportation program. These are concepts that warrant attention as we work to improve transportation in South Dakota and the Nation in future legislation.

Funding—Federal Transportation Investment in Rural States Benefits the Nation

The national interest requires significant Federal surface transportation investment in rural States. Consider truck movements from ports in the Pacific Northwest to Chicago or other heartland or eastern destinations. These and other movements across States like ours benefit people and commerce in the metropolitan areas at both ends of the journey. The Federal-aid highways in rural States provide many national benefits. These routes:

- serve as a bridge for truck and personal traffic between other States, advancing interstate commerce and mobility;
- support agricultural exports and serve the Nation's ethanol production, energy extraction, and wind power industries, which are located largely in rural areas;
- connect portions of rural America underserved after the abandonment of many branch rail lines;
- provide access to scenic wonders like Yellowstone National Park, Badlands National Park, and Mount Rushmore;
- serve as a lifeline for remotely located and economically challenged citizens, such as those living on tribal reservations;
- enable people and business to access and traverse vast tracts of Federally owned land; and
- facilitate military readiness.

In addition, the Federal-aid highway program enables enhanced investment to address safety needs on many rural Federal-aid routes. The investments supported by Federal highway and surface transportation programs create both direct and indirect jobs and support economic efficiency and growth.

Moreover, in our State and many other western States the percentage of truck traffic on the highways that does not either originate or terminate within the State exceeds the national average. Rural freight will become increasingly important as the world population of approximately 7 billion people expands by over 1 percent per year or approximately 70 million people. South Dakota agriculture will need transportation improvements to remain competitive in serving those markets. So, investments in highways in rural States are clearly serving interstate and national interests.

Yet, a State like South Dakota faces significant transportation infrastructure funding challenges. We can't provide all these benefits to the Nation without Federal funding leadership. We:

- are geographically large, including large tracts of Federal lands;
- have an extensive highway network; and
- have low population density.

This means we have far fewer people than the average State to support each lane mile of Federal-aid highway—and preserving and maintaining this aging, nationally connected system is expensive. Yet, citizens from South Dakota and similar States contribute to this effort significantly—the per capita contribution to the Highway Trust Fund from rural States exceeds the national average. Further, with our low population and traffic densities, tolls are not a realistic option for funding transportation needs in rural areas.

Fortunately, in MAP-21 and in prior legislation, Congress has consistently recognized it is in the national interest to provide significant Federal funding to support highways and transportation in and across rural States like ours. For reasons such as outlined above, future legislation should continue that approach.

Federal Investment in Public Transportation in Rural States Is Warranted

Public transportation is not just for big metropolitan areas. Transit plays an increasingly vital role in our State's surface transportation system. Federal funding for it is absolutely necessary.

Our two largest metropolitan areas, Sioux Falls and Rapid City, receive direct apportionments from the FTA, as do some tribal governments. Our more rural areas and smaller cities and some of our Indian reservations also have needs for public transportation. We have 22 small transit providers in our State receiving Federal transit funds indirectly through the SDDOT, under the rural transit program (the so-called 5311 program).

Federal investment in rural transit helps ensure personal mobility, especially for senior citizens and people with disabilities, connecting them to necessary services and employment. Transit service is an important, often vital, link for citizens in

small towns to get to medical appointments, including dialysis and cancer treatments, as well as to work, educational opportunities or other destinations. South Dakota's population is aging and people want to age in place and stay in their homes and communities. For people that can no longer drive, transit plays a vital role in supporting this choice. As the population ages, there will be increased demand for transit services.

So, there are considerable demands for transit service in our State from seniors and people with disabilities. The funding for transit for South Dakota under MAP-21 is helping address these challenges. In addition, it is important that operating as well as capital costs remain eligible uses of the Federal transit program. Capital investment in buses is important but any lapse in the ability to operate would adversely affect our transit users.

Not only does rural transit sustain over 530 direct jobs across South Dakota, it allows children to access preschool and other education opportunities while their parents remain at work, strengthening their productivity and earning potential while supporting their families. Clearly, Federal public transportation programs must continue to include funding for rural States.

In addition, we consider it highly appropriate that MAP-21 increased the percentage of overall transit formula funds going to the rural transit program and, within the rural transit program, slightly increased the share of funds for very rural States. This is warranted because of the special transit challenges facing a very low population density State like ours.

Rural transit is usually provided by small bus and van service. Frequently, it is on demand service for the elderly and disabled, such as nonemergency trips to the hospital, pharmacy, or clinic, or trips to a grocery store. This is especially challenging in the very low population density States, where the one-way trip to a medical facility for one or two riders can be 50 miles or more.

There are some basics needed for transit service regardless of population or traffic density. Service requires a qualified driver. It requires a well-maintained and well-equipped bus or van. It requires vehicle parts. These elements are essential whether a bus is carrying only four people and has to travel 50 miles (big State, low density) or is carrying 15 or more people over short distances in towns with a population of 45,000.

In short, providing essential public transit connectivity can be particularly challenging in extremely rural areas. In MAP-21 (and in SAFETEA-LU as well), Congress appropriately has begun to respond to the challenges of providing public transportation service in a very rural State like ours by increasing funding for the 5311 program and adjusting its formula to give greater funding weight to a State's having a large land area.

Additional Considerations

Before closing, let me turn to a few additional considerations regarding the Federal program. We strongly favor a flexible approach that will increase, not limit, State discretion and reduce regulations and program requirements. We also hope Congress will continue to distribute the vast majority of program funds by formula. That formula approach, with fewer, not more regulations or program complications, will enhance the ability of the SDDOT to effectively provide transportation options while also generating jobs, facilitating commerce, and enhancing personal mobility and the quality of life of our citizens.

Conclusion

In conclusion, it is essential that Federal surface transportation programs and legislation continue to recognize that significant Federal investment in highways and transit in rural States is, and will remain, in the national interest. We are pleased MAP-21 meets that test. So must future legislation. The citizens and businesses of our Nation's more populated areas, not just residents of rural America, benefit from a good transportation network in and across rural States like South Dakota. With such legislation, combined with fewer, not more program requirements and rules, the SDDOT will be better equipped to address transportation needs to the benefit of South Dakota and the Nation.

That concludes my testimony. I'll be happy to respond to any questions you may have.

PREPARED STATEMENT OF COSETTE FESTER

SIOUX AREA METRO PARATRANSIT RIDER

MARCH 28, 2013

Sixteen years ago I had never heard of paratransit or even had a need to know about it. That all changed in January of 1997 when we were in a car accident which severed my spine at T5. I was in the hospital for 6 months. I have rods holding up my back so I can sit up and also rods holding up my rib cage. Everyone in the hospital tried to get me to sign up for Medicaid, etc., but my family said that I would be going back to work. At the time I was an insurance adjuster specializing in Workmen's Comp. My boss kept whispering in my ear that I would have a job waiting for me when I was ready to come back to work.

In October I started back part time at first. My husband was driving me back and forth but that got to be a tiresome job on both of us. My husband is years older, and has numerous health issues of his own. Am not sure how I got signed up for paratransit but my family called them and away I went!!! The first day I made my husband follow me all the way to work and back again. I cried all the way to work. My poor bus driver kept asking me if I was alright and I just kept on crying and shaking my head. On that day, I felt feelings of inadequacy and dependency. My feelings have greatly changed since that day.

Paratransit has been my salvation. They pick me up at my door and drop me off at my door. I am unable to open the doors myself as I do not have the upper strength to do so. Also my wheelchair does not allow me to get up close enough to the door to open it myself.

I think back at what people did before we had these services. I am not a person that could just stay at home—I need the interaction of people. I need to be useful and kept busy. Before I went back to work I sat home and cried and felt sorry for poor me! I felt a burden to my family and was unclear with what to do with my life. Paratransit is more than just a way for me to get to work—it is another way for me to connect. I see so much good in the people that work there as well. I once had a bus driver who wrote a poem for me. My family and I cherish the words of this wise man, my paratransit driver. He wrote about how I am defined by me and not my chair. The way I handle this life is not what matters most, I need to make the best of it, for I will walk in the Promised Land. So, what you need to realize is that Paratransit means a whole lot more than transportation to its riders. It's key to our independence, and it enhances our self worth through its people and its services. Without this service and the special people employed by our Government—I would be lost.

God has put a lot of different people on this earth. I used to consider myself average and just your average middle-class working woman. However, the tragedy that occurred that night in 1997, made me special yes, with a disability but most importantly, I am special because unlike many others—I now see the good in so many people. I instantly recognize good will and civility in ways that most average Americans fail to recognize. I am very grateful for all of the good deeds that are provided continual by Paratransit.

The Poem:

Though my body is all crippled God has blessed me with my mind, and the will to be productive more than most you'll find. This chair is but a transport of the gifts God gave to me intelligence, compassion Love of Life is what you'll see. My faith has made me whole and life is precious everyday, a belief in all that's positive perseverance is my way. So, if all you see is crippled then your eyes are truly closed, for everything BUT handicapped is what my spirit shows. My mind is free from worries all my troubles in his hands, through my faith my life's forever and I'll stand in the Promised Land!

PREPARED STATEMENT OF LYNNE KELLER FORBES

EXECUTIVE DIRECTOR, SOUTH EASTERN COUNCIL OF GOVERNMENTS

MARCH 28, 2013

Thank you, Chairman Johnson, Ranking Member Crapo, and Members of the Committee, for the opportunity to highlight our views on the new Federal surface transportation law, Moving Ahead for Progress in the 21st Century Act (MAP-21), and the transportation investments the law provides, especially for our Nation's small metropolitan and rural regions.

My name is Lynne Keller Forbes and I am the Executive Director of the South Eastern Council of Governments (SECOG), headquartered in Sioux Falls, South Dakota, and serving the six most southeastern counties of the State. SECOG is also the fiscal agent of the Sioux Falls Metropolitan Planning Organization (MPO); the transportation planning organization for the Sioux Falls urbanized area.

As the Committee examines the impacts of MAP-21 on public transportation and transportation investments in rural States like South Dakota, I respectfully submit the following observations:

First, Mr. Chairman, it is important to note the benefits of the law having rejected efforts to change the population threshold for becoming and remaining an MPO.

If MAP-21 would have included a provision to increase the population threshold of MPO's to 200,000, as one of the draft bills proposed, the Rapid City, Sioux City, and Sioux Falls MPOs would have been three of the 220 of 385 MPOs potentially eliminated; leaving the State of South Dakota with zero MPOs.

It is important to maintain MPOs in rural States like South Dakota to ensure the input of the citizens and local elected officials of small metropolitan areas are considered in the transportation planning process. The populations of the communities of the Sioux Falls MPO are increasing at record rates and the borders of these communities are continually growing closer together. The Cities of Brandon, Crooks, Harrisburg, and Tea currently have borders approximately one to two miles away from the City of Sioux Falls' border. The borders of these four communities will meet Sioux Falls' border by 2035. The literal closeness of these communities only emphasizes the importance of a local transportation planning organization to ensure coordination amongst the communities, to ensure the needs of the region are met, and to ensure the voices of local citizens and elected officials are heard during the transportation planning and programming process.

The Sioux Falls MPO transportation planning budget has been just under \$2 million for the past few years and has increased to over \$3 million for 2013. The regionally significant activities accomplished with that funding include a transportation planning study of 41st Street and the I-29 interchange to identify potential projects to improve traffic flow on one of the busiest streets and interchanges in the State. A similar study is also being completed by the MPO for 26th Street and the I-229 interchange, an area that experiences significant traffic delays during the morning and evening commutes. In addition, a recent impressive collaboration by the Sioux Falls MPO communities resulted in the "Sioux Falls MPO Multi-Use Trail Study" to identify corridors to connect the trails of Brandon, Harrisburg, and Tea to Sioux Falls' extensive trail system. Once implemented, pedestrians and bicyclists will have a safe way to travel between the MPO communities. Transit activities completed by the MPO include a recently completed route study to improve the Sioux Falls transit system and plan for future needs of the system. A space needs study was also recently completed to plan for the expanded needs of the transit system's office and storage facility.

Additionally, Mr. Chairman, the continued increase of Federal support for public transportation, as demonstrated by MAP-21, is essential for the economic growth of rural States like South Dakota and small metropolitan areas like Sioux Falls.

Public transportation contributes to economic growth not only by connecting people to jobs, health care, businesses, and tourist destinations, but also by reducing the cost of transportation and creating jobs. According to a recent report completed by the South Dakota Department of Transportation entitled "Costs and Benefits of Public Transit in South Dakota" the transit riders' out-of-pocket cost savings totaled \$10.3 million in 2010 in South Dakota. This out-of-pocket cost savings added \$7.6 million and 70 jobs to the State's economy. The report also indicated that three jobs are created in the State for every 10 public transit jobs created. In 2010, public transit capital and operating expenses sustained 460 jobs and contributed \$38.5 million to the State's economy. The combined economic impact is estimated at \$46.1 million annually.

The "Costs and Benefits" report concluded that for every dollar invested in public transit, there is \$2.07 economic and social benefit in the urbanized areas of the State such as Sioux Falls. MAP-21 authorized a slight increase in funding for transit programs from \$10.458 billion in FY2012 to \$10.578 billion in FY2013 and \$10.695 billion in FY2014. The increased funding allows for better transportation planning and will continue to contribute to the economic growth of the State and Sioux Falls area. Sioux Area Metro (SAM), Sioux Falls' public transit system, provided almost 1.2 million rides in 2012, a 3.1 percent increase from 2011. Additionally, SAM employs about 95 people and has an annual operating budget of around \$3.5 million.

With the previously mentioned growth that the Sioux Falls area has been experiencing, the transit service will need to be expanded to reach the new employment and residential areas of the community. The “Transit System Analysis—Grid Network Alternatives” study completed by the Sioux Falls MPO just last month concluded that an additional \$1.2 million, or about 1/3 of the current budget, would need to be added to SAM’s annual operating budget for the extended transit service needed by year 2035. In addition, increased funding will be needed for capital costs such as additional buses and transfer centers and the expansion of the storage and office facilities. A recent space needs study completed by the MPO estimated that a \$13 million expansion of SAM’s office, maintenance and storage facility will be needed to meet transit needs.

In closing, Mr. Chairman, we are encouraged by the support for transportation planning and public transportation that is demonstrated by MAP-21.

As you have heard, the transportation planning funding and public transportation funding authorized by the transportation bills is effectively utilized in the Sioux Falls MPO and contributes significantly to the economy of the State of South Dakota. MAP-21 expires on September 30, 2014. As work begins on the next bill, sustained and increased support is needed to ensure coordinated transportation planning and programming activities among local citizens and elected officials are continued on a regional basis in rural States like South Dakota and to ensure the notable economic benefits of public transportation are not lost by our State.

Thank you again, Mr. Chairman and Members of the Committee, for the opportunity to testify today. I’d be pleased to answer any questions.

PREPARED STATEMENT OF EMMA FEATHERMAN-SAM

COORDINATOR, OGLALA SIOUX TRANSIT

MARCH 28, 2013

Euha chi cante wasteya nape ceyuspa pi (I give each of you a heartfelt handshake). Thank you for inviting me to testify before the Senate Committee on Banking, Housing, and Urban Affairs Field Hearing. I am honored.

The people who have needed the most help with transportation have accepted Tribal Transit systems across Indian Country voraciously. Transportation on the Pine Ridge Reservation via some type of vehicle is most often either unavailable or if a vehicle is available—is not in the best working condition or the cost of operating the vehicle is prohibitive. The safe, reliable services of Oglala Sioux Transit have already provided a valuable addition to the quality of life factors for many residents of the Pine Ridge Indian Reservation.

1. Oglala Sioux Transit

After an extensive planning process, the Oglala Sioux Transit Project received funding from the Federal Transit Administration and the Bureau of Indian Affairs to construct a 12,500 sq. ft. transit facility and purchase buses (three 22 passenger and five 16 passenger). The Transit Facility was completed October 2008. Vehicles were purchased and delivered September 2008 and January 2009. Transit services began on February 3, 2009, as a deviated fixed route system covering approximately 1,806 miles daily with the main route being 111 miles one way (from the village of Wanblee on the eastern side of the Reservation to Prairie Wind Casino on the western side). Unlike urban areas, the Pine Ridge Reservation’s communities are widely separated and located along rural roads that were not designed for efficient transportation. The seven (7) routes travel through sixteen (16) of the main villages on the reservation with 35 stops providing the general public with access to college courses, employment, medical, business and shopping services on the reservation. The Program has been actively considering expanded transit services for a 24 hr/day, seven days/wk schedule across the Pine Ridge Indian Reservation and a 3 times/day, 3 days/wk scheduled route to Rapid City, SD. The Oglala Sioux Tribal Council will shortly be considering its input into these decisions and we anticipate a final determination in the near future. The increased levels of service will greatly enhance the Transit system’s capacity to address the transit needs of a much broader portion of the client population.

The OST DOT Transit Program is comprised of seventeen employees (Coordinator, Office Manager, Maintenance Support Technician, Dispatcher, Bus Drivers (12), and a Bus Mechanic. We also take part in providing slots for TANF workers that provide the Receptionist, filing and cleaning of the facility.

The Pine Ridge Indian Reservation is comprised of approximately 2.7 million acres of land (4,200 sq. mi.) that encompass three counties of South Dakota—Shannon, Bennett, and the southern half of Jackson. There are 6.5 (Shannon), 2.9 (Ben-

nett) and 1.6 (Jackson) persons per square mile within the boundaries of the Reservation. Based on Tribal program data the population of the reservation is approximately 47,000, of which there are 38,000 enrolled tribal members. The 2010 US Census shows 20,048 (a massive undercount) and the Department of Housing and Urban Development's NAHASDA population numbers of 43,146. The Pine Ridge Indian Reservation is extremely rural, with an underdeveloped economy and infrastructure. According to the U.S. Bureau of Indian Affairs, unemployment on the Reservation is 89 percent. (BIA Labor Force Report, 2005). Persons below poverty levels on the Reservation remain among the highest in the United States with the 2009 Census data indicating 51 percent for Shannon County, 37.8 percent for Bennett County and 36.1 percent for Jackson County.

Due to the extreme poverty of the Pine Ridge Indian Reservation, many residents do not have access to private automobiles and, in the absence of Oglala Sioux Transit, must often pay another individual to transport them to their destination. Many of these travelers are the elderly and disabled. A transit study/survey conducted for the OST Short Range Transit Plan (December 2002) indicates that the lack of a public transportation system hinders individuals on the Reservation in accessing employment, medical appointments, conducting business, shopping, and attending college classes. Oglala Sioux Transit is increasingly meeting the needs of many of these persons as the program has matured and become more widely known.

a. Transit Passengers

The Transit Program provides transportation in handicapped accessible vehicles (buses and vans) as a deviated fixed route rural transit system. In order to serve the widely dispersed communities on the Reservation, the Project has established routes with bus stops convenient to the local residents that provide this access for transportation to their destination. Many have stated that they would like to just go visit relatives in another district. Hiring and training tribal members for the project has provided residents with safe, reliable transportation to their destination.

The types of passengers that ride the transit range in ages from infant to senior citizens that are 60+ years old. Based on the total for the 4 full years of operation, seniors comprise an average of Year 1—20 percent to year 4—26 percent of passenger trips. Students are designated as anyone in attendance at an academic institution from Kindergarten through College. Some of the Student riders could be considered as Adults or Senior citizens, but a passenger can designate themselves as a student if they have an Identification Card (i.e., college students) so they can receive the \$1.00 off the fare.

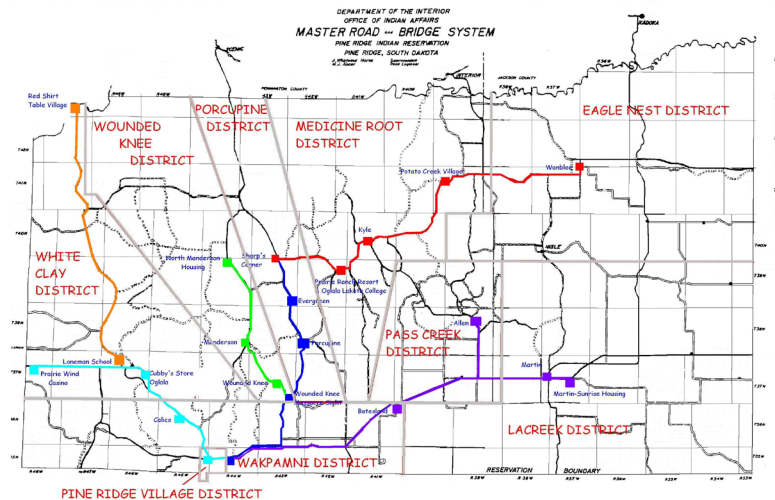
The following table provides a brief summary of the Program's operational benchmarks and illustrates increased usage by the membership.

OGLALA SIOUX TRANSIT

	2009 Total	2010 Total	2011 Total	2012 Total	2013 Total (as of Jan/Feb 2013)	YTD Totals
Adults	8,076	14,979	15,759	15,947	2,894	57,655
Seniors	2,305	5,659	5,930	7,327	1,138	22,359
Students	424	2,391	2,853	2,438	285	8,391
Child (<5yo)	622	1,650	2,151	1,991	191	6,605
Total Passengers	11,427	24,787	26,693	27,703	4,508	95,118
Fare Box Revenue	25,388.28	35,118.24	32,367.59	27,077.07	6,930.58	126,882
Miles Traveled	335,576	479,597	423,976	435,659	71,298	1,746,106
Fuel Costs	94,445.90	151,244.43	156,693.71	180,932.88	30,429.89	613,747

b. Routes/Fares

The Transit Project recognizes the limited financial resources of the Tribal membership and has strived to provide its services at a cost the client population can afford. Our fares range from \$1.00 to \$5.00 one way and \$2.00 to \$8.00 round trip. The Project faces the constant challenge of providing affordable Transit services over this huge geographic area.



c. Local Support

Transit services are coordinated with many of the Tribal programs that have limited budgets for client transportation (Oglala Lakota College Centers (9), Community Health Representatives, Anpetu Luta Otipi, Transitional Living Program, Domestic Violence Shelters, Childhood Programs, SD Department of Social Services, Oglala Sioux Tribe District Service Centers, Oglala Nation Tiospaye & Advocacy Center, etc.). We expect increased usage by these clients as program budgets tighten in coming years.

2. Tribal Transits Nationally

A few Tribes across the U.S. have been accessing FTA funding through the States but more are now beginning the process of developing full blown rural transit systems as funds have become available through the Section 5311(c)(1), in FY06, 63 Tribes awarded approximately \$8 mil and in FY12, 72 Tribes were awarded approximately \$15 mil. Each fiscal year's Notice of Funding Availability from FTA has seen many more proposals submitted for more funds than are available. Many of the Transit systems are beginning to fully understand the processes and regulations required by the FTA funds and are beginning to develop their transit systems into longer term endeavors. The new MAP-21 funds will enable some of the Tribes to purchase vehicles and construct facilities to enhance their services, many Tribes had begun their Transit services out of their Department of Transportation's Road Shops or shared offices with other Tribal Programs.

Most issues on reservations commonly experienced by Tribal Transit Managers are long routes, high mileage, lack of facilities, finding local consultants with transit expertise with tribal knowledge, etc. It has also been mentioned at the Tribal Transit conferences that direct contact between FTA regional offices and Tribes would be beneficial in terms of funding and services. Several Tribes have met and formed a National Tribal Transit Association to represent and advocate for them on tribal transit issues. The organization is in its infancy stage and just beginning to collect data and coordinate issues for Tribal transit systems across the Nation.

3. MAP-21

Tribal Transit provisions of MAP-21 represent a significant improvement in the availability of resources that Tribes may access to assist with their public transportation needs. If tribal transit programs are to be successful, FTA funding must be adequate, predictable, and stable. It is my view that the Formula distribution of \$25 million dollars is a significant improvement over prior years. While I recommend that annual appropriations be increased in future years due to inflationary factors and increased transit program development by more Tribes, Tribes may now rely upon a funding distribution process that has objective criteria that should minimize “feast or famine” funding decisions. Tribes should be able to plan upon likely future funding levels (two, three, or more years later) with a reasonable degree of certainty. Facilities, equipment, routes and schedules can now be established on a long term basis that riders can become familiar with and rely upon.

With the above discussion in mind, I would like to make the following points about tribal transit policies:

1. I am in substantial agreement with the funding formula factors set forth in MAP-21;
2. I agree that funding distribution should include both annual formula-based awards and separate competition-based grants;
3. I disagree with any “matching funds” requirement as a factor in qualifying for or receiving FTA funding. Many Tribes simply do not have either an adequate resource base nor sufficient taxing authority to provide matching funds on an ongoing basis. These facts are particularly true for many of the poorer Reservations located in remote and isolated areas of the country.
4. There has been considerable discussion about establishing a 10 percent cap on indirect costs. Many tribal transit programs think a 10 percent cap of Indirect Costs is a reasonable compromise between the need of Tribes to receive adequate contract support and the funding needed for delivery of direct transit services.
5. With respect to the Request For Comments published in the *Federal Register* on November 9, 2012 (see II b), I am concerned that some limitation is needed to prevent potential formula distortions. It is appropriate for Tribal Transit Programs to interface with off-reservation communities and even to provide direct public transit services under certain circumstances. However, I recommend a more extensive consultation process with Indian Tribes before FTA moves forward with its II b proposal.

In closing, I would like to express my appreciation for the Senate Committee holding this field hearing. I am excited about the progress made by Indian Tribes and the FTA in providing public transit services on an equitable basis to one of the most underserved segments of the United States population. The Congress, the FTA, and Indian Tribes can rightfully be proud of the accomplishments made to this date and look forward to a continued partnership for future gains.

PREPARED STATEMENT OF BARBARA K. CLINE

EXECUTIVE DIRECTOR, PRAIRIE HILLS TRANSIT, SPEARFISH, SOUTH DAKOTA

MARCH 28, 2013

Senator Johnson, good afternoon. I am Barb Cline, the Executive Director of Prairie Hills Transit located in Spearfish, SD. I direct a transit agency operating within a 12,000 sq. mile service area, and like to think that I represent in large part many of the rural transit system operators that provide much needed trips to an array of destination in rural and small town America daily.

I would like to sincerely thank you and FTA Administrator Rogoff for supporting community and public transit. We appreciate the increased formula funding in MAP-21 and the ongoing dialog you have permitted us.

Today I would like to discuss how the new Federal surface transportation law, MAP-21, is impacting rural transportation operators and their constituents.

Prairie Hills Transit is a company that grew from a single “old” green van that was not lift equipped and operated 4 hours daily in Spearfish for seniors. A short 23 years later our company operates and receives local support in 15 communities located in 6 counties in the Black Hills of western South Dakota. With 38 vehicles, 50 employees and a new transit facility our growth has been solid and stable. With your help Prairie Hills Transit can continue to grow and meet the ever increasing transportation service requests.

You asked that we let you know our feelings regarding the affect specific programs might have. Let me begin with the Bus and Bus Facilities Program. The program is much smaller than the version that existed under SAFETEA-LU. While the formula based bus funds are appreciated, ultimately that dollar amount doesn't begin to touch the replacement needs of PHT or other agencies in our State. It is important for you to understand that many of these vehicles consistently travel 100–200 miles daily for medical and employment.

Of the 38 vehicles Prairie Hills Transit operates 22 are 2005 or older and 17 of the 38 have 130,000 miles or more on their odometers. A significant commitment in the investment must be made in coming years.

The safety and security requirements of MAP-21 are of real concern. Both have been a long standing commitment of Prairie Hills Transit and the Community Transportation Association of America (CTAA) even before MAP-21. We are currently pursuing a 3 year accreditation (Community Transportation Safety and Security Accreditation) offered by CTAA that meets the Federal Transit Administration endorsed standards. I would encourage FTA guidance to use a common sense approach so an undue burden wouldn't be placed on smaller agencies. State DOT's could easily use the National Transit Database (NTD) as a safety reporting mechanism. Guidance should not require a safety officer at each agency nor should a part time or full time safety officer be required. Perhaps planning funds could be used to complete the safety plan training implementation.

I believe that asset management plans could and should be managed by the State Department of Transportation. Guidance would make the State accountable for their sub-recipients and this information could be entered into the National Transit Database. Having each recipients report on the condition of their system/systems would be particularly burdensome for smaller agencies.

Meeting the Current Needs

Nearly 2 years ago the major healthcare company in our area came to us and initiated discussion regarding a discharge contract for patients at their primary hospital in Rapid City. This partnership has been working extremely well for over a year and is a model that could and should be emulated with any transit agency. With every challenge comes an improved way of providing high quality transportation service to patients who need hospital discharge transportation.

Often medical discharges are trips that travel long distances with patients crossing State lines to be returned to their homes. Previously these people who didn't have transportation were sent home by ambulance incurring bills they could not afford to pay. If transportation was not available longer stays in the hospital often took beds and rooms that were needed for new patients. Recent feedback from a spokesperson at the major hospital in our area says "The staff very much appreciates the collaborative partnership that has been developed with you and your team. Ultimately, the patients benefit the most."

Nonemergency medical transportation is one of the fastest growing services we provide. There is a vital role we all must play in healthcare transportation. It ultimately impacts our South Dakota residents who are a proud and independent population who won't ask for help but will take it if it is offered. The impact of outpatient services in relationship to hospitalization or patients being readmitted because they have no transportation to follow up care is monstrous. As a Medicaid provider we help young families with children, individuals with disabilities, and a growing number of wheelchair bound persons residing in residential living facilities, nursing homes, and assisted livings. Many are fiercely independent and take great pleasure in having Prairie Hills Transit and its drivers as their ride of choice.

Daily needs being met:

- National Guard van pool taking employees to their jobs. The route begins in Spearfish and ends in Rapid City.
- Transport minimum security prisoners from Rapid City to Custer for employment.
- Dialysis appointments and cancer treatments—between communities
- Job Access routes for mentally and physically challenged adult-between communities-multiple agencies
- Hospital discharges—daily and with destinations often in other States
- Children from daycare and schools allowing parents to remain at work
- Disabled children integrated with
- Seniors to nutrition sites, social outings, medical, hair appointments
- Essential public transportation in every community

- Medicaid, Medicaid, Medicaid
- Advocacy for our riders and their unmet needs.
- Veterans receiving medical transportation and assuming volunteer roles

We must begin to place a definable value and measurable outcomes for our critical medical needs. We must continue to be innovative and diversify programs our transit systems already work with. How do we measure and meet the need of a small community with a 40 bed nursing home filled with Medicaid residents that is 153 miles from the closest major medical center? Even more importantly how do we fund their transportation, provide a vehicle and ensure residents a quality of life?

Proud To Note

Recently we logged our youngest rider at 8 days old. The other end of the life cycle is 103 year old Helen who rides daily to the senior meals program in a town of 600 people. Helen has averaged over 35 rides a month getting her out of her home, allowing her an independent lifestyle and making sure she receives a well balanced meal each day.

In Closing

The Prairie Hills Transit system represents high professional standards, excellence in safety and security of passengers, and organizational quality and commitment. We exemplify a business persona that the public respects and recognizes as consistently and continuously meeting the needs of all communities in its service area. We strive to serve as a reflection of every other small rural agency in the Nation. No one can deliver transportation options better than rural transit.

Just this week we were called to take a man from the hospital to his home town. He had been involved in a car accident where his granddaughter, the driver, died in the seat next to him. His wife passed away the day before his discharge from complications of the accident. I personally take great pride in the compassion our drivers show every day and the humility it requires for us to make a difference for our cities, counties, State, and country. We need your help to fight the battle rural systems fight each day. Thank You.

PREPARED STATEMENT OF MICHAEL COOPER

DIRECTOR OF PLANNING AND BUILDING SERVICES, CITY OF SIOUX FALLS, SOUTH DAKOTA

MARCH 28, 2013

Sioux Falls is fortunate to have a high quality public transportation system with Sioux Area Metro (SAM). This past year the fixed-route system exceeded over 1 million riders for the first time. The paratransit system continues to provide quality service for those that cannot ride the fixed-route system and provides on average almost 600 rides per weekday. Also, the total population of Sioux Falls added 2,500 people last year and is projected to maintain that growth into the future. To maintain quality public transportation services, Sioux Falls and Sioux Area Metro are planning for ways to maintain services to an expanding and increasingly diverse population base.

In just the past year, the City of Sioux Falls and the Sioux Falls MPO have completed studies to provide a plan for the future of public transit service in Sioux Falls. The studies have included the Transit System Analysis and the Space Needs Study. Also, the City of Sioux Falls has recently initiated a Fare and Operations Analysis to determine some of the short-term and mid-term changes that are required to implement recommendations from the Transit System Analysis.

As a part of the Sioux Falls Route Analysis, three new routes and five expanded and/or modified fixed routes were planned to provide a higher level of service for the projected growth of Sioux Falls. As a part of this plan for expansion, Sioux Area Metro (SAM) would need to add three new transfer stations to improve route connectivity. Also, the Route Analysis recommended adding a few cross town routes to connect the new transfer centers and improve regional connectivity.

Before expansion is possible, Sioux Area Metro (SAM) needs a major expansion of their bus storage and office facility, at 6th Street and Weber Avenue. The cost of this facility will exceed \$12 million. This expansion was detailed in the Sioux Area Metro Space Needs Study completed in 2012. The Space Needs Study recommends that expansion of the bus storage and office facility is essential before any expansion of the system can take place. As I am sure you are aware, security, maintenance, and efficiency of the busses is dependent on good indoor storage for our bus fleet.

Expanding transportation opportunities and enhancing the independence for people with disabilities is also a high priority for Sioux Area Metro. The paratransit bus system is very successful in Sioux Falls and will continue to be a very important piece of the system. However, the fixed-route bus system is very efficient and provides opportunities for greater transportation independence for all people. All fixed-route busses are fully accessible and bus stops throughout our service area continue to be improved to be accessible for people with disabilities. In fact, this year the City of Sioux Falls will be investing \$46,000 in CIP money to upgrade 88 bus stops. The City of Sioux Falls will continue to find ways to improve the accessibility of our fixed-route system so all citizens have an opportunity for economical and quality transportation.

The full funding of MAP-21 for public transportation and transportation investments are critical for the Sioux Falls region. We look forward to working with the Committee on providing more information about the needs for public transit and transportation as we move forward. Thank you for this opportunity to provide information.

PREPARED STATEMENT OF SARAH JENNINGS

STATE DIRECTOR, AARP SOUTH DAKOTA

MARCH 28, 2013

Good afternoon, Chairman Johnson. I am Sarah Jennings, State Director of AARP South Dakota. I appreciate the opportunity to testify on a topic of critical importance to millions of older Americans in rural communities—how public transportation can help them maintain their independence, health, and quality of life.

Aging in Place

Rural America is becoming increasingly older. South Dakota's senior population, for example, comprises 14.3 percent of South Dakota's total population, a greater share than for older persons in the U.S. population as a whole (13 percent). Indeed, as younger people relocate away from rural areas, often in search of work, the remaining older population (age 65 and above) has become a larger presence in rural America, now constituting 14 percent of all rural residents nationwide. Among the total population of people age 65 and over, one-fifth live in nonmetropolitan areas.

Our research indicates that nearly 90 percent of persons age 50 and above prefer to remain in their homes as they age; and 95 percent prefer to remain in their communities. When older persons do move, they tend to move within the same county.

In rural America, the greater distances between homes and essential destinations, such as health care, grocery stores and shopping, exacerbate the transportation challenges of older nondrivers. Nationally, over one in five older persons, 8 million people, does not drive. These individuals often rely on family and friends, who provide more than 1.4 billion trips per year, according to the 2009 NHTS.

Older persons living in rural areas risk their ability to live independently if they do not drive. A 2006 study published in the *American Journal of Public Health* found that nondrivers in their semi-rural sample of older adults were four times as likely as drivers to end up in long-term care, not necessarily because they needed long-term care services, but because they could no longer function independently without transportation. Over half of older nondrivers stay home on a given day which puts them at greater risk of isolation due to the inability to access needed services and the loss of connection to their community. This can lead to unforeseen and significant costs as social isolation is associated with an increase in serious health conditions and depressive symptoms.

The population is also aging on our Nation's Indian reservations. Based on Census data presented in a 2007 report by the Small Urban and Rural Transit Center (SUTC), the population age 60 and above is somewhat higher in tribes in the lower 48 States than in the Nation as a whole (17 percent versus 16.3 percent nationally). Further, 31 tribes have older populations that are at least 20 percent of the total. South Dakota's tribal population age 60 and over is approximately 14 percent. The SURTC report, "Tribal Transit Demographic Need Indicators", places five South Dakota reservations among the top 25 reservations in the lower 48 States in mobility dependent populations (defined as older adults, persons with disabilities, low income, school age, and households without a vehicle) on a percentage basis. These tribes are the Crow Creek Sioux, Oglala Sioux, Lower Brule, Rosebud Sioux, and Cheyenne River.

Need for Transportation Services in Rural America

Public transportation services are often very limited in nonmetropolitan areas. Indeed, two-thirds of South Dakota residents age 50 and older reported in a recent AARP South Dakota survey that it would be difficult for them to get where they wanted to go if they were no longer able to drive. Further, 56 percent said that public transportation is simply not available in their community. This is a particular concern for the nearly two-thirds who reported that transportation services are extremely or very important to help people remain in their own homes as they age.

The number of U.S. counties served by the Federal nonurban transit program (Section 5311) has been growing, yet 23 percent of counties still lack service. Where service is available, however, rural transit is a lifeline that helps older adults and persons with disabilities stay connected to their community and remain independent in their homes. The dispersed geographic character of rural America makes fixed routes less effective for serving the general public. Indeed, over 80 percent of rural transit providers offer demand-response service, according to a 2012 report by the Small Urban and Rural Transit Center.

Older adults and individuals with disabilities depend on these services and represent a disproportionate share of ridership in rural areas. In fact, persons age 60 and older make 31 percent of all rural transit trips, and people with disabilities, 23 percent.

The need is especially pronounced in tribal areas as many reservations are extremely rural with less than 5 people per square mile and one-way travel distances may be well over 100 miles to the nearest regional center. Many tribes have high rates of extreme poverty making prohibitive the cost of gasoline and other costs of car ownership.

Importance of MAP-21 Federal Investment in Public and Specialized Transportation

Federal transit investments have played a critical role in rural and tribal areas. In fact, the Federal Transit Administration (FTA) is the primary funding source for 81 percent of rural transit vehicles. Specialized transportation, funded through FTA and other Federal agencies, is a lifeline for older nondrivers and their families. According to the 2009 National Household Travel Survey, senior nondrivers take 228 million trips per year on specialized transportation (in all geographic locations), comprising nearly two-thirds of all their public transportation trips.

Funding

FTA funding has contributed to the tremendous growth in the number of tribal transit services in the past decade, from 18 in 1999 to nearly 120 in 2011, covering about 20 percent of tribes. That the Tribal Transit program requires no Federal match has encouraged its growth. However, demand for new services remains very strong. From fiscal year 2006 through fiscal year 2010, the high number of funding requests and amount of funds requested for Tribal Transit far exceeded the ability to satisfy demand. Existing systems provide about 1.2 million rides annually.

Under MAP-21, formula grant programs affecting small town and rural communities received significant increases. For example, the Section 5311 nonurban transit program is funded at nearly \$600 million in fiscal year 2013, up from \$465 million in fiscal year 2012, and will increase to approximately \$608 million in fiscal year 2014. Tribal Transit funding is a takedown from Section 5311 and the amount dedicated to it is doubled to \$30 million in both fiscal years 2013 and 2014. Twenty-five million dollars of this amount is distributed by formula grant, with the balance distributed by competitive grant.

Funding was also increased for the revised Section 5310 program, Enhanced Mobility for Seniors and Disabilities, above the total fiscal year 2012 levels for Section 5310 and New Freedom combined. (The revised program merges these two programs.) Funding is increased by 13 percent above fiscal year 2012 levels in fiscal year 2013, for a total of \$254.8 million, and by 15 percent above fiscal year 2012 in fiscal year 2014, for a total of \$258.3 million.

Planning

MAP-21 established several policy enhancements to Federal transit programs affecting rural areas. Planning is a vital component of high quality service delivery and is now an eligible activity for Section 5311 funds. In addition, under the statewide planning program, there is a new State option to create regional transportation planning organizations (RTPOs) to address the needs of nonmetropolitan areas for planning, coordination, and implementation of long-range plans and Statewide Transportation Improvement Programs. The law also requires States to cooperate with nonmetropolitan local officials (or if applicable, through RTPOs) in planning

activities covering nonmetropolitan areas, including the development of the Long-Range Statewide Transportation Plan. Finally, States are required to develop a consultative process for nonmetropolitan local official involvement (including through RTPOs) that is “separate and discrete” from the public involvement process.

For the Section 5310 transit program for the elderly and individuals with disabilities, the law retains the requirement for a connection between projects and the locally developed coordinated public transit-human services transportation plan. This is discussed further below.

Program Features

The Section 5311 program has a new eligibility, the Job Access and Reverse Commute program which links low-income workers to job opportunities. This eligibility also applies to the Section 5307 large urban program.

Intercity bus service provides a critical link to local transportation services in rural areas and may offer the only access to distant medical centers for many rural residents. MAP-21 continues the requirement that States spend at least 15 percent of Section 5311 funds for intercity bus transportation. A new provision of the law allows the costs of private intercity bus operations to be treated as a match for the MAP-21-funded operating costs of rural intercity bus feeder service, providing greater flexibility for securing the Federal match.

MAP-21 also creates a new formula-based program to increase public transportation access for residents within the Appalachian region. This program, a set-aside from the Section 5311 program, provides States \$20 million per year.

The new law made several changes to the Section 5310 program, foremost among them being its merger with the former Section 5317 New Freedom program. AARP is pleased that the Committee and Congress did not advance full consolidation of the FTA specialized transportation programs. The purposes and goals of these two programs align well.

The new program retains the designation, “Section 5310,” as well as the purposes of the original programs: to make grants for public transportation projects to meet the special needs of seniors and persons with disabilities when public transportation is insufficient, inappropriate, or unavailable (Section 5310); and to make grants for public transportation projects that exceed the requirements of the Americans with Disabilities Act (New Freedom). Newly established grant purposes include, (1) public transportation projects that improve access to fixed route service and decrease reliance on paratransit; and, (2) alternatives to public transportation for seniors and persons with disabilities.

Under the new program structure, a minimum of 55 percent of funds must be used for the original purpose of Section 5310, as described above. The balance of the funding is reserved for the remaining purposes, described above.

Importantly, operating assistance (with a 50 percent Federal match) is now an eligible expense under the Section 5310 program. This rectifies the long-standing discrepancy in which Section 5310 was the sole small transit program prohibited from using funds for operating expenses. This new eligibility will assist providers in paying the costs of gasoline, insurance, salaries, and other expenses necessary to put vehicles on the road. The allowance continues for funds from other (non-DOT) Federal programs to make up the local share of program costs.

States continue to receive funding for the 20 percent of 5310 funds designated for rural areas, and the 20 percent designated for small urban areas. However, under MAP-21, 60 percent of funds is now allocated directly to large urban areas. Program subrecipients continue to include nonprofit providers. The competitive selection process, which was formerly required for the New Freedom program, is now optional.

Coordination of Human Services Transportation in MAP-21

Mobility management remains eligible as capital expense under MAP-21. The mobility management approach offers a single point of access that navigates multiple provider services to meet individual travel needs. Mobility managers may serve several functions, including helping communities develop coordination plans, brokering transportation services, and working with human service agencies that coordinate their clients’ travel.

As mentioned above, MAP-21 retains and strengthens the requirement that funds be contingent on the locally developed coordinated public transit-human services transportation planning process. The law specifies that projects must be “included in” (rather than “derived from”) the coordinated plan. In addition, States and designated recipients must certify that transportation services are coordinated with those assisted by other Federal departments, including any carried out by a recipient of a grant from the Department of Health and Human Services (HHS).

Significantly, the law makes newly explicit the requirement for participation by seniors and people with disabilities in the development and approval of the locally developed, coordinated public transit-human services transportation plan.

AARP Board Charge on Transportation Coordination

In 2011, the AARP Board of Directors tasked the National Policy Council (NPC) with examining approaches to strengthen the coordination and delivery of transportation services to older adults and to make policy recommendations. Recognizing that the lack of transportation has particularly acute consequences in rural locations, the board charge paid particular attention to the challenges of serving rural older adults. In pursuing this charge, the NPC conducted three site visits and heard from a diverse array of over 60 experts, stakeholder organizations, and AARP representatives in the States. One of the Council's site visits was to South Dakota where they met with stakeholders in Sioux Falls, Pierre, Rapid City, the Cheyenne River Indian Reservation, and the Pine Ridge Indian Reservation. The Council met with leaders from major hospitals and transit agencies, the Secretary of Transportation and other State transportation officials, tribal leaders, chairs of the South Dakota House and Senate Transportation Committees, academics, and staff from the State's Congressional delegation.

The Council observed that social networks are shrinking in many small, rural agricultural communities. In 1900, the typical farm was less than 200 acres. Today in South Dakota, it is not uncommon to find farms of 40,000 to 50,000 acres in size. Fewer people are needed to sustain an agricultural economy, thus many small rural communities are dying. The older population that remains has fewer younger relatives and neighbors to assist with transportation. Local budgets are shrinking as well, and cannot easily fill the gap. It was noted that one rural community chose to invest in public transit when it realized that its older residents were packing up and leaving for urban areas (and taking the tax base and their consumer expenditures with them) when the challenge of transportation became too great.

The South Dakota site visit offered many positive examples of coordinated transportation services. The State DOT has long worked with human service agencies, such as the area agencies on aging (AAAs), to eliminate duplication of efforts. AAAs negotiate contracts with the local transit providers to obtain transportation for their clients. Section 5310 funding is almost entirely directed to local transit providers.

River Cities Transit, based in Pierre, is an exemplar of a transit provider that has expanded coordinated transit services. It now serves 11 counties, two Indian reservations, provides express service to hospitals and clinics in Sioux Falls, service to the airport, and coordinates its service to link customers to other transit providers in North Dakota. It is the transportation provider for all local YMCAs, employment training centers, and schools. RCT operates 24 hours a day, 7 days a week, a remarkable level of service for a rural transportation provider.

The South Dakota DOT's efforts at coordination predate and go beyond Federal requirements. In 1996, the Governor created the Transportation Planning and Coordinating Task Force comprised of representatives from the State departments of Transportation, Social Services, Health, and Human Services, and the Coalition of Citizens with Disabilities. The task force is charged with providing cost-effective and efficient transportation services and reducing fragmentation and duplication of services. The intent of coordination is to increase vehicle use and ridership, thereby helping local agencies combine resources to better meet the mobility needs of the community. The DOT enforces Federal coordination requirements by tying FTA's specialized transit funding to the development of a coordinated public transit human services transportation plan. A regional coordinated plan must be in place for any eligible agency in the community to receive FTA specialized transit funding.

In South Dakota and beyond, the Council was struck by the fact that many older people were simply unfamiliar with transit and needed help in getting started using it. Consumer education and outreach, such as transit travel training for prospective older riders, could overcome a number of cultural barriers to greater transit use.

The Council also found that rural towns that are slowly dying could be helped by locating senior-friendly affordable housing in central areas of the towns thereby retaining the economic investments that flow from older residents. This would enhance access to transportation and medical care while allowing continued connections to social supports, such as family and churches.

Discovering the Health and Transportation Connection

The Council learned that transportation is an essential service for access to health care and to enable older people to live independently. The changing nature of health care delivery presents its own set of challenges for rural residents as health care facilities locate in more centralized locales, increasing the travel distance required

to obtain medical care. The shift from inpatient to outpatient medicine, particularly for dialysis and cancer treatment, is also placing increasing demands on transportation systems. In addition, findings from the National Health Interview Survey indicate that the lack of access to nonemergency medical transportation is a critical barrier to the management of chronic illness and disabilities. The Survey found that approximately 3.6 million adults living in the community fail to obtain health care due to a lack of transportation and these individuals are more likely to be older, minority, and female. They are also more likely to report multiple medical conditions and impairments that make transportation difficult and often cause them to miss critical medical appointments.

The Committee's visit to the Avera Cancer Institute in Sioux Falls demonstrated that the coordination of health and transportation services is essential to providing quality patient-centered care. Avera staff noted that the lack of convenient and reliable transportation is the top barrier to care for their patients. Sixty-eight percent of the Institute's patients live outside of the Sioux Falls area traveling up to 255 miles from locations in South Dakota, Iowa, and Minnesota. Cancer treatment typically involves regular, at times daily or weekly, visits to medical facilities, presenting a serious challenge for patients who are too weak to drive after treatment or who lack the human or financial resources to find other means to get to and from lifesaving treatment.

Avera assigns patient navigators to identify barriers to treatment and to make referrals. Social workers at the Center assist patients with transportation needs, working closely with the medical staff and transportation providers to accommodate treatment to transportation resources. Fragmented service patterns, long application and waiting periods, and lack of transportation resources are major barriers. Avera attempts to bridge gaps in transportation resources through donations from its Foundation and employees to pay for taxi vouchers.

South Dakota's high rate of mastectomies also illustrates how the lack of transportation impacts patient care. Avera staff noted that many women will choose a treatment based on the number of visits required and because of transportation concerns will favor those with less time required for radiation.

As part of Board Charge study, the Council also learned that Medicaid is the largest public payer of nonemergency medical transportation (NEMT) services for older adults and people with disabilities. NEMT may include, for example, transportation to doctors' appointments, dialysis, and chemotherapy. While data on total Medicaid spending for transportation is not collected, estimates range from close to \$1 billion to slightly more than \$3 billion annually, dwarfing expenditures by many Federal transit programs.

Currently, CMS does not track nonemergency medical transportation (NEMT) expenditures in a way that facilitates rigorous analysis and development of solutions to better coordinate and improve services. Under current reporting guidelines, those transportation costs that are classified as an administrative expense (rather than a medical service) are not itemized within the larger category of administrative expenses, thus the full amount of Medicaid spending on transportation services is unknown. According to a 2002–2003 survey by the National Consortium on the Coordination of Human Services Transportation, 13 States reported that they classified transportation services to be paid as an administrative expense. Another 12 States classify transportation expenditures as both administrative and a medical service (for which transportation expenses are tracked and reported).

States may qualify for full Medicaid Federal match reimbursement if they bill NEMT as a medical expense and meet other requirements, such as a transportation brokerage system. The Deficit Reduction Act of 2006 allows States to contract with brokers to manage NEMT services, which are required to be cost effective, and for which providers must be selected through a competitive bidding process. As of 2009, 38 States used brokers to contain NEMT costs and ensure quality of service.

In addition to Medicaid, Federal funding for transportation services is also provided through other programs of HHS, most notably Title III-B supportive services and the services for Native Americans under Title VI of the Older Americans Act (OAA). Under Title VI, the OAA provides funds to American Indian and Alaska Native elders for an array of supportive services, including transportation. No local matching funds are required. In fiscal year 2008, Title VI provided roughly 1 million rides to meal sites, medical appointments, pharmacies, markets, and other essential destinations for elders.

The Council also learned that the Affordable Care Act has placed a priority on reducing the high cost of unnecessary hospital readmissions, improving care coordination and transitions of care, and supporting community-based care. Transportation is essential to each of these care goals.

Key findings from the AARP National Policy Council Board Charge on Transportation Coordination include the following:

- *A “bottom up” approach is effective in strengthening the coordination of transportation services and developing new partnerships to expand services.* Strong local leadership is critical for success, but coordination should be fostered at all levels to strengthen the transportation network. A case study of River Cities Transit is included in a forthcoming report by AARP’s Public Policy Institute that highlights local providers from around the country that demonstrate successful coordination of funding sources to provide quality transportation services.
- *Coordinating health services and transportation is essential to quality, patient-centered care.* Staff at the Avera Cancer Institute in Sioux Falls, SD, told the Council that the lack of convenient and reliable transportation is the greatest barrier to care for their patients. South Dakota’s high rate of mastectomies illustrates how the lack of transportation impacts patient care: Studies find that many women choose a treatment based on the number of visits required and favor those with less time required for radiation because of transportation concerns.
- *Due to severe fiscal constraints on States, Federal funding for transportation, including from human service agencies is more essential than ever.* Sustaining and making more efficient use of transportation-related funding is essential as most States are unlikely to be able to significantly increase contributions to transportation services. The Centers for Medicare and Medicaid Services (CMS) is the largest public payer of nonemergency medical transportation services to older adults and persons with disabilities.
- *Additional funding for mobility management would strengthen coordination and increase the quality of transportation services.* The inclusion of dedicated funding for mobility managers through the U.S. DOT and other Federal agencies would strengthen the coordination and quality of services.
- *Technology has a significant role in improving the efficiency and quality of transportation services.* Ride scheduling software and other technology enable “one call” transit services and are key elements in achieving the goal of efficient use of transportation assets and improving the quality and coordination of services.

AARP South Dakota Works To Advance Transportation Coordination

AARP South Dakota is committed to addressing the transportation challenges and opportunities in our State. Dennis Eismach, our volunteer State president, provides incredible leadership on this issue and feels passionately that a resident of our State should have access to transportation choices regardless of where they live and that AARP South Dakota must address this issue or many older South Dakotans will not have the option to age in their homes.

After hearing from volunteers and members from across South Dakota regarding the transportation challenges they face on a daily basis, AARP South Dakota has prioritized working on transportation coordination in 2013 and beyond. Our long-term goal is to work with our partners in our State to implement a one call system that will allow our residents to be able to make a single call to receive a ride at any time for any need.

Thanks to Ron Baumgart with River Cities Public Transit, Barb Cline with Prairie Hills Transit and Northern State University’s Dr. Jim Seeber and the Northeast South Dakota Regional Aging Council, much work has already been done in this area with much more left to do. AARP South Dakota also appreciates Bruce Lindholm and the South Dakota Department of Transportation’s efforts to work with us on this issue.

AARP South Dakota, along with many other leaders in our State, know this solution won’t come quickly but the work over the long term will provide the results we want.

Looking Ahead in South Dakota

According to the 2010 South Dakota DOT Long Range Plan, the State population is shifting from rural to urban communities. For the first time in South Dakota history, the urban population was found to be greater than the rural population. One consequence of this development is that persons with disabilities who live in these more densely populated communities and do not drive will need to rely on costly complementary paratransit services if they are unable independently to access a bus stop due to missing or broken sidewalks, an inaccessible bus stop, or other road ob-

structions. Well-constructed and maintained sidewalk networks can result in great savings for paratransit services.

Economic conditions can be strengthened by increasing coordination between separate funding resources, thereby amplifying the impact they would have independently. This approach is underway through an effort by the Oglala Lakota Tribe on the Pine Ridge Reservation and the Thunder Valley Community Development Corporation with assistance from a HUD Sustainable Communities Regional Planning Grant. Agencies including the reservation's Housing Authority, Environmental Protection Program, Chamber of Commerce, and Health Administration will collaborate on the development of the regional plan that seeks to integrate housing, land use, economic development, transportation, and infrastructure investments across a wide southeastern swath of South Dakota. Residents will be involved in all stages of the planning process. Success in this approach for such an economically challenged community could demonstrate the valuable benefits that can be achieved, perhaps with more ease, by those communities that are less challenged.

Human Services Transportation Coordination

Status of Federal Efforts

The Government Accountability Office has examined the status of human services transportation coordination many times beginning as far back as 1999. The GAO has stated that it cannot determine the total amount spent on transportation because agencies often do not separately track transportation costs from other program costs. It has also noted that most Federal departments on the Federal Inter-agency Coordinating Council on Access and Mobility (CCAM) do not have an inventory of existing programs or related expenditure information for transportation services. (Council member agencies include DOT, HHS, Education, Veterans Affairs, Labor, Interior, and HUD.)

In its March 2011 report, the GAO recommended that Federal agency members of the CCAM identify and assess their transportation programs and related expenditures. It also called on the agency members to work with other departments to identify potential opportunities for additional coordination, such as the use of one-call centers, transportation brokerages, or shared resources. In addition, the GAO has advised that Federal departments develop and disseminate policies and guidance to their grantees on coordinating transportation services. Many of these grantees, for instance, are unclear about cost sharing and vehicle sharing among programs.

In its June 2012 report, GAO noted that the Coordinating Council leadership has not met since 2007 and that momentum has stalled. It further shared the observations of agency officials that the absence of activity from leadership contributes to a lack of buy-in from program officials and may affect how coordination is treated at the State and local levels. Further, the CCAM is missing a strategic plan with roles and responsibilities, measurable outcomes, or required follow-up.

One notable demonstration of progress, however, is the Veteran's Transportation & Community Living Initiative, launched in July 2011. As part of the Coordinating Council's Veteran's Affairs working group, the Departments of HHS, Labor, Transportation, and Veterans Affairs developed the initiative. The FTA has made over \$30 million in Bus and Bus Facilities grant funding available to local governmental agencies to finance the capital costs of implementing, expanding, or increasing access to local One-Call/One-Click Transportation Resource Centers. This funding is complemented by training, technical assistance, outreach, and social media technology investments provided by FTA and other agencies, including the Departments of Veterans Affairs and Labor. HHS and the Department of Defense are also lending critical support.

Recommendations

- AARP supports the GAO's recommendation that agencies identify their transportation-related expenditures. For instance, the Medicaid program could increase its transparency regarding transportation expenditures by requiring States to itemize both their administrative and medical NEMT expenses on CMS Form 64. Data collection systems should be designed to report expenditures on NEMT, as well as emergency transportation, and transportation funded through waivers, both in the aggregate and by State. Information on State Medicaid NEMT programs and service delivery, such as use of brokers, should also be available.
- AARP also endorses the GAO's recommendations that the Coordinating Council complete and publish a strategic plan, and report on the progress of the Council's recommendations in a report to the President in 2005. These recommendations included seeking mechanisms to require human service transportation programs to participate in coordinated planning, promote vehicle sharing, de-

velop allocation principles to enable cost sharing, and develop reporting and evaluation methods. In addition, Federal agencies should develop guidance to their grantees regarding participation in coordination efforts at the local level.

- Funding should also be increased for mobility management activities which would advance coordination significantly. These activities should include the acquisition of advanced technology for routing and scheduling trips. Such technology has been found to reduce operating costs.
- Data should be collected and reported annually regarding program information for the Section 5310 program, including at a minimum the number of trips, vehicles, vehicle age, trip purpose, and number of clients. The authors of the Rural Transit Fact Book note that a number of rural transit providers receive funding under the section 5310, but that national data on their programs is not available since there is no requirement to report to the National Transit Database.
- Integrate and streamline Federal grant applications and reporting requirements. A balance should be struck between solid data and burdensome administrative requirements.
- Encourage State coordinating councils on human services transportation in the 23 States that do not have them (as of December 2011). South Dakota has demonstrated that high quality services can be fostered through this approach.

Additional Transportation Recommendations

- Funding should be increased for Section 5310, the nonurban transit program, and the Tribal Transit program. These services are vital to maintaining independence, and in rural areas are lifelines. Demand already far exceeds supply and is growing.
- Expand and improve the quality of the larger public transportation program, including increased funds for capital assistance and operating subsidies. Promote the use of public transportation by older people and people with disabilities through transit travel training.
- Remove the barriers for participation in volunteer driver programs by increasing the charitable standard mileage reimbursement rate to that for business-related driving. Programs in rural areas are losing volunteers who cannot absorb the high cost of gasoline to travel long distances.
- Ensure that transportation agencies routinely design and operate the entire right of way to enable safe access for all road users of all ages and abilities, including drivers, transit users and vehicles, pedestrians, and bicyclists. This will allow people with disabilities to safely access public transportation, and will create safer roads to address the alarming pedestrian fatality rate among older people, currently higher than that for any age group.
- Facilitate the ability of local communities to employ Federal funding in a way that allows transportation and housing investments to support each other. Authorize funding for competitive planning grant programs to enable communities to develop comprehensive regional plans that incorporate transportation, housing, community and economic development. In addition, funding for grants to implement comprehensive regional plans should also be authorized. These projects will help communities create and preserve affordable housing and multimodal transportation near housing. Seniors are able to age more successfully in such places where destinations are close by and where they have transportation options by which to reach them.

Thank you, Chairman Johnson, for this opportunity to testify before you today. I welcome any questions you may have.