

Programs and Funding

Federal, state and local government are partners in funding public transportation activities, with each contributing a portion of the costs. Relative funding proportions can vary from program to program. The federal-state-local partnership, along with farebox revenue, represents a funding patchwork for public transportation.

States vary greatly in their funding of public transportation. North Carolina's state funding comes primarily from motor fuel taxes and highway use taxes.

NCDOT's Public Transportation Division annually administers more than \$100 million in state and federal funds that are awarded to transportation systems in urban and rural areas throughout the state through a [variety of grant programs listed below](#) .

Programs and Funding

Rural Funding

COMMUNITY TRANSPORTATION PROGRAM, a combination of federal and state funds, provides the majority of funding for North Carolina's rural transportation systems. The CTP application incorporates the following three programs into a single packet:

Eligible Recipients:

State and local governments, nonprofit organizations (including Indian tribes and groups) and public transit operators in nonurbanized areas.

1. Nonurbanized Area Formula Program (FTA Section 5311)

Funding Source: Federal

Purposes: Funds capital, operating and administrative purposes. Maximum federal participation of 80% for administrative and capital costs. NCDOT matches 5% state funds for administrative costs and 10% for capital costs. Small urban fixed route systems and regional community transportation systems are eligible to apply for up to 50% of the net operating costs associated with general public routes.

Eligible Recipients: State and local governments, nonprofit organizations (including Indian tribes and groups) and public transit operators in nonurbanized areas are eligible subrecipients.

2. Rural Capital Program (Composed of three programs that have been consolidated)

Purposes: Provides up to 90% federal and/or state participation. Funds are for the purchase of vehicles, communications equipment and related capital equipment; the purchase or upgrade of computer equipment, file servers, software, printers, telephone systems, mobile data terminals, automatic vehicle locators and other technologies; and the purchase or renovation of facilities for administrative and/or operating use. Funds cover up to 90% of feasibility plan preparation, land acquisitions, design and construction costs.

Funding Source: Federal and State

Eligible Recipients: Community transportation system grantees including local governments and nonprofit organizations (including Indian tribes and groups) in nonurbanized areas and in urbanized area counties where there is not a consolidated urban/rural transportation system.

3. Human Service Transportation Management Program

Funding Source: State

Purposes: Funds the administrative costs associated with the transportation of consolidated human service transportation systems and systems operating in urbanized area counties where a consolidated countywide transit system does not exist. Provides up to 85% of eligible costs.

Eligible Recipients: Consolidated human service and community transportation systems operating in urbanized area counties where a consolidated countywide transit system does not exist. Grantees include local governments and nonprofit organizations.

ELDERLY AND DISABLED INDIVIDUALS TRANSPORTATION PROGRAM (FTA SECTION 5310)

Funding Source: Federal

Purposes: Funds capital projects. Most funds are used to purchase vehicles, but acquisition of transportation services under contract, lease or other arrangements and state program administration are also eligible expenses. Prior to SAFETEA-LU, NCDOT transferred funds annually to the Section 5311 program. North Carolina can use up to one-third of funds through 2009 for operating costs to serve elderly and disabled in regional systems.

Eligible Recipients: State and local governments, nonprofit organizations (including Indian tribes and groups) and public transit operators in nonurbanized areas.

REGIONAL AND INTERCITY PROGRAM

Funding Source: State and Federal

Purposes: Funds intercity bus service in underserved areas of North Carolina that connect to the national intercity network. Also provides state funds for Travelers' Aid programs that assist homeless, stranded or indigent travelers with their intercity transportation needs through the purchase of bus tickets. Provides up to 50% of net operating costs. Section 5311(f) funds used to support portion of NCDOT share.

Eligible Recipients: Community transportation systems; other public, private nonprofit and private for-profit transportation providers; public transportation authorities; intercity bus providers; local public bodies including counties and municipalities; Indian tribes and regional or local planning organizations.

RURAL OPERATING ASSISTANCE PROGRAM (ROAP) (Composed of three separate funding sources, allowing for one application.)

Eligible Recipients: County governments

1. Elderly and Disabled Transportation Assistance Program (EDTAP)

Funding Source: State

Purposes: Provides operating assistance for the transportation of the state's elderly and disabled citizens. Funds up to 100% of cost of service.

Eligible Recipients: County governments.

2. Rural General Public Program

Funding Source: State

Purposes: Funds community transportation systems that serve the general public in the state's rural area. Provides up to 90% of cost of service.

Eligible Recipients: County governments

3. Employment Transportation Assistance Program

Funding Source: State

Purposes: Funds transportation service to employment for low-income individuals. Also supports the N.C. Rural Vanpool Program. Provides up to 100% of cost of service.

Eligible Recipients: County governments

RURAL PLANNING PROGRAM

Funding Source: Federal and State

Purposes: Funds the updating of local community transportation plans, regional transportation feasibility studies and special studies. Provides up to 100% of cost of regional feasibility studies (90% of implementation plan) and 90% of local planning studies.

Eligible Recipients: Lead transportation agencies including local governments, transportation authorities, nonprofit organizations and Indian tribes.

RURAL TRANSIT ASSISTANCE PROGRAM (RTAP) (FTA SECTION 5311 (B)(2))

Funding Source: Federal

Purposes: Funds training, technical assistance, research and related support activities. Maximum of 100% federal participation.

Eligible Recipients: NCDOT is the grant recipient; however, funds can be contracted or passed through to other entities.

Urban Funding

CAPITAL INVESTMENT GRANT PROGRAM (FTA Section 5309)

Funding Source: Federal with State Matching Funds

Purposes: Funds capital projects, including buses, bus-related equipment, paratransit vehicles and construction of bus-related facilities. Includes up to 83% federal for vehicles and up to 80% for facilities with state funds providing up to one-half of local match up to 10%.

Eligible Recipients: Designated public bodies in urbanized areas with populations greater than 50,000.

METROPOLITAN PLANNING PROGRAM (FTA Section 5303)

Funding Source: Federal with State Matching Funds

Purposes: Funds transportation planning activities in urbanized areas of over 50,000 population, including long-range plans, transportation improvement programs and technical studies. Provides 80% federal with 10% state matching funds.

Eligible Recipients: Metropolitan planning organizations

NEW STARTS PROGRAM (FTA Section 5309)

Funding Source: Federal with State Matching Funds

Purposes: Funds new and extensions to existing fixed guideway transit systems, including commuter rail, light rail, heavy rail, bus rapid transit, streetcars and ferries. It is the federal government's primary financial resource for supporting locally planned, implemented and operated major transit capital investments. State funds provide up to 25% of preliminary engineering, design and construction costs, subject to appropriations.

Eligible Recipients: Public bodies and agencies (transit authorities and other state and local public bodies and agencies) including states, municipalities, other political subdivisions of states; public agencies and instrumentalities of one or more states; and certain public corporations, boards and commissions established under state law.

STATE MAINTENANCE ASSISTANCE PROGRAM (SMAP)

Funding Source: State

Purposes: Funds operating costs for urban, small urban and regional transit systems. Allocations are based on a formula approved by the state Board of Transportation. Local government or authorities must provide funds equal to or greater than the state allocation.

Eligible Recipients: Fixed-route and demand-response urban, small urban and regional transit systems services.

URBAN/REGIONAL BUS AND FACILITY PROGRAM

Funding Source: State

Purposes: Provides state match to direct recipients of FTA grants under Section 5307, 5309 and 5313.

Eligible Recipients: Local governments and regional transportation authorities.

URBAN/REGIONAL TECHNOLOGY PROGRAM

Funding Source: State

Purposes: Funds advanced technology needs of public transportation systems. Provides up to 90% state funds or one-half of local match for areas using Section 5307 funds.

Eligible Recipients: Local governments in areas with fixed route transit systems and transportation authorities.

URBANIZED AREA FORMULA PROGRAM (FTA Section 5307)

Funding Source: Federal with State Matching Funds

Purposes: Funds for urban transit system operating assistance, planning activities and major capital purchases, such as buses and transit centers. NCDOT provides up to one-half of local match for planning and eligible major capital costs.

Eligible Recipients: Designated public bodies in urbanized area.

Rural & Urban Funding

JOB ACCESS AND REVERSE COMMUTE (JARC) PROGRAM (FTA Section 5316)

Funding Source: Federal

Purposes: Funds new transit service to assist welfare recipients and low-income individuals with transportation to jobs, training and child care.

Eligible Recipients: Local governments and nonprofit organizations.

N.C. MOVING AHEAD PROGRAM

Funding Source: State (authorized by Governor Easley for FYs 2004 and 2005)

Purposes: Advances transportation projects with funds authorized for specified projects. Provides up to 90% state funds.

Eligible Recipients: Local recipients were identified from the State Transportation Improvement Program list of unfunded transit projects and other sources, approved by the Board of Transportation and reviewed by the Joint Transportation Oversight Committee of the General Assembly.

NEW FREEDOM PROGRAM (FTA Section 5317)

Funding Source: Federal

Purposes: Funds new transportation services and public transportation alternatives beyond those required by ADA to assist persons with disabilities in both urban and rural areas.

Eligible Recipients: Local governments and nonprofit organizations.

PUBLIC TRANSPORTATION GRANT PROGRAM

Funding Source: State

Purposes: Matches NCDOT statewide grants and local federal capital and planning grants. Also funds the Apprentice and Intern Programs and the Transportation Demand Management Program. Program funds short-term demonstration projects and those ineligible for federal funding.

Eligible Recipients: Local governments, nonprofit organizations, community transportation systems, transportation authorities and institutions of higher education.

1. Apprentice and Intern Programs

Funding Source: State

Purposes: Funds the work experience for selected recent graduates and graduate students in public transportation. Apprentices, who are recent graduates, work full time for a 12-month period. Interns, who are graduate students, work approximately 12 weeks full time during the summer between their two years of graduate school and approximately 10 hours a week during the fall and spring semesters of their second year. Funds up to 90% of eligible costs.

Eligible Recipients: All state transit systems are eligible to receive reimbursement of project costs for salary, benefits and travel within specified guidelines.

2. Transportation Demand Management (TDM) Program

Funding Source: State and Federal (Congestion Mitigation and Air Quality)

Purposes: Funds programs that encourage ridesharing arrangements such as carpools and vanpools and the use of public transit and other alternative transportation in an effort to reduce congestion and vehicle emissions. State funds are matched dollar-for-dollar by local funds.

Eligible Recipients: Public bodies responsible for promotion of TDM activities that may provide services such as carpool/vanpool matching and vehicles for use in vanpooling. It is the intent of the program to fund

only one organization per region with the temporary exception of the Triangle area but requiring that certain program components, such as marketing activities, be coordinated in one regional marketing program.

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