

November 20, 2015

Honorable Therese McMillian
Acting Administrator
Federal Transit Administration
United States Department of Transportation
1200 New Jersey Avenue SE
Washington, DC 20590

Re: Transit Asset Management; National Transit Database; Proposed Rule (Docket Number FTA–2014–0020)

Dear Administrator McMillian:

The American Association of State Highway and Transportation Officials (AASHTO) is pleased to provide comments on the Federal Transit Administration’s (FTA) “Transit Asset Management; National Transit Database; Proposed Rule” (Docket Number FTA–2014–0020) published in the Federal Register on September 30, 2015. Representing all 50 states, the District of Columbia, and Puerto Rico, AASHTO serves as a liaison between state departments of transportation (DOT) and the federal government.

AASHTO and the State DOTs are supportive of MAP-21’s performance and asset management provisions and believe that they can be implemented in a manner that advances a safer and more efficient transportation system without imposing undue regulatory burdens on States. There are some recognized challenges ahead in the effort to achieve those goals and AASHTO and the State DOTs will continue to engage with U.S. DOT to address these challenges and work together.

AASHTO sees transportation asset management as a long-term, continuous improvement process that is implemented by a State DOT for all modes at multiple stages of an asset’s life. Hopefully, the process that the State DOT goes through to develop a transportation asset management (TAM) plan will not be just to develop another document, but to bring about improved decision making regarding assets.

AASHTO is supportive of asset management and of the transit asset management provisions of MAP-21. State DOTs are engaged in asset management already in the absence of any federal requirements. While we support a number of aspects of the proposed regulations, there are also a number of areas in which State DOTs have important concerns. AASHTO believes that transit asset management principles can be implemented without overly burdening states, small providers, and Section 5310 subrecipients. We recommend that FTA take action to address those concerns in finalizing this regulation.

These comments represent a substantial effort among State DOTs to thoroughly review and comment on the Transit Asset Management Notice of Proposed Rulemaking (NPRM). AASHTO has in place a

process to provide coordinated comments representing the different disciplines of the various standing committees on all of the performance management NPRMs being developed by U.S. DOT. This included a coordinated effort to gather input from the AASHTO Standing Committee on Public Transportation, Subcommittee on Asset Management, Standing Committee on Performance Management, and the Standing Committee on Planning. These comments are but one set of more than ten that AASHTO expects to provide as USDOT issues proposals implementing performance-related provisions of MAP-21. Since this NPRM includes placeholder references for other NPRMs yet to be issued, AASHTO recommends that U.S. DOT provide an opportunity for States and others to offer any additional comments after all of the performance management related NPRMs have been issued.

We appreciate the opportunity to provide these comments and look forward to working with FTA in the implementation of final rules. If you would like to discuss the issues raised in this letter, please contact Shayne Gill, AASHTO's Senior Program Manager for Aviation, Passenger Rail and Public Transportation at (202) 624-3630.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Trombino III". The signature is fluid and cursive, with a prominent initial "P" and a stylized "T".

Paul Trombino III
President, American Association of State Highway and Transportation Officials
Director, Iowa Department of Transportation

PRINCIPAL COMMENTS

1) AASHTO APPRECIATES FLEXIBILITY AND REDUCED REQUIREMENTS FOR SMALL SYSTEMS

AASHTO is supportive of the aspects of the proposed rule that would provide flexibility to states and reduce requirements for small systems. Small systems, especially Section 5310 subrecipients, do not have the staff, money, or resources to implement all aspects of the TAM NPRM. It is vital that these constraints on small systems be taken into account when writing the final rule. Therefore, AASHTO is pleased that the TAM plan requirements were limited for Tier II plans (individual or group) to only elements #1-4 (See proposed 49 CFR 625.25 (b) (1)-(4)).

AASHTO also appreciates the flexibility provided to states and transit providers to update their TAM plan at any time during the horizon period.

AASHTO advocates for increased flexibility for states and transit providers on a multitude of provisions, as seen in our comments throughout this letter.

2) REDUCE TAM PLAN REQUIREMENTS FOR SECTION 5310 SUBRECIPIENTS

The TAM plan requirements for Section 5310 subrecipients needs to be scaled back. Specifically, AASHTO strongly recommends that TAM plans for providers that only receive Section 5310 funds be required to include “FTA-funded” assets only. As we have noted elsewhere in this letter, our proposed definition of “FTA-funded” assets would also include assets that were not acquired with FTA funds but which the provider considers likely to be maintained, replaced or repaired with FTA funds in the future. This limitation alone will focus the TAM planning process on the most critical assets of these “part-time” transit providers. As noted in our principal comment #3, AASHTO recommends that the requirements for all TAM Plans be focused on “FTA-funded” assets. However, if FTA cannot accept this recommendation for all plans, it is critical that this definition be used for Section 5310 only subrecipients.

The rationale for a scaled back approach for subrecipients of only Section 5310 funds is two-fold. First, many Section 5310 subrecipients are nonprofit human service agencies whose primary business is not transit. These small organizations do not have the organizational capacity to perform the same level of transit asset management as full time transit providers. Second, vehicles are apt to be the agencies only “full time” transit asset. Therefore, it is an unnecessary and inappropriate burden to apply these comprehensive FTA regulations to all of the organizations’ assets that directly or indirectly support their transit service.

Without a scaled back approach AASHTO is concerned these subrecipients will find the burden of accepting FTA funds to significantly outweigh the benefits to their organization. State DOTs will find it increasingly difficult to find effective subrecipients with the final result being loss of essential transportation services. Seniors and persons with disabilities will lose their only means for transportation to the grocery store, friends and family, and medical services. Section 5310 is an important aspect of the Rides to Wellness Initiative. One of the goals of the Coordinating Council on Access and Mobility is to “Streamline federal rules and regulations that may impede the coordinated

delivery of services, and improve the efficiency of services using existing resources.” However, without scaling back the TAM plan requirements for Section 5310 subrecipients, FTA is adding barriers that may be impossible to overcome.

AASHTO recommends the following:

- That TAM plans for providers that only receive Section 5310 funds be required to include “FTA-funded” assets only, even if FTA does not apply this definition to all TAM plans.

3) LIMIT THE ASSETS REQUIRED IN A TAM PLAN TO REDUCE THE COST BURDEN

AASHTO believes that the TAM Plan rule should limit the assets covered by the rule to reduce the implementation and cost burden to states, recipients, and subrecipients. AASHTO is concerned that the FTA may not fully appreciate the extent to which the proposed rule would burden states. For example, there will be costs related to performance target-setting and coordination among states, metropolitan planning organizations (MPOs), and transit agencies and the additional National Transit Database (NTD) reporting requirements, and the additional agencies who receive 5310 funds that would be required to be reported in the NTD to track their TAM efforts.

Because of the additional time and dollars it will take to create a TAM plan, AASHTO suggests: a) the scope of assets that must be included in the plan be limited (see proposed definition below) and b) a phased-in period for asset classes that are a lower priority and to first focus on critical assets, such as revenue vehicles.

AASHTO recommends the following:

- Add a definition of asset and clearly provide that TAM plan requirements are applicable only for those assets which meet the definition. AASHTO proposes that an asset must meet all of the following and, therefore, must be included in a TAM Plan: a) FTA funded assets or assets that the provider considers likely to be maintained, replaced, or repaired with FTA funds; b) an initial cost of at least \$50,000 (as determined by the provider) or any rolling stock; c) a Useful Life Benchmark (ULB) of at least five years or greater.
- A phased-in period for asset classes that are a lower priority as discussed in more detail under Principal Comment #4 and comments on Sections 625.31 and 625.43.

4) REASSESS THE IMPLEMENTATION TIMEFRAME AND PROCESS

AASHTO suggests reassessing the implementation timeframe and process to reduce the cost burden as well as staff time to prepare a TAM plan and targets. AASHTO suggests that the TAM plan be valid for four to eight years to allow agencies to better align other plans, such as their capital plan. By allowing agencies to choose when to complete a TAM plan it will provide agencies with the flexibility to align various plans with the TAM plan which will help improve the strategic planning for the organization while reducing the cost burden and staff time needed to prepare various plans.

AASHTO understands that MAP-21 calls for targets to be set three months after the rule is issued and each fiscal year thereafter, but the rules should allow for the annual target setting to be limited to revisiting the prior year's target based on prior year investments and updating if significant changes are needed. The rules should only require a full re-evaluation of targets every four to eight years as determined by the provider (for an individual plan) or a sponsor (for a group plan). However, new target setting should be done more frequently if a TAM plan is amended prior to the established full re-evaluation deadline.

AASHTO agrees with setting targets at the class level. However, it is unrealistic to have fully vetted targets set within three months of when the TAM plan final rule is published, especially if States were to consider any public comment or outreach process. As noted above, AASHTO understands that MAP-21 calls for targets to be set three months after the rule is issued and each fiscal year thereafter. AASHTO suggests a phased-in approach for target setting, such as the following: The rules should define the initial target setting (the ones due in three months) as preliminary and should note that these preliminary targets may be of limited use in guiding investment decisions until there is additional information of existing asset conditions. These preliminary targets will likely need to be significantly adjusted after the initial TAM plan is developed and baseline conditions are established. This will provide the agencies the opportunity to conduct any public comment or outreach.

As part of the phased-in approach, AASHTO also recommends that facilities be exempted from target setting (and from inclusion in a TAM plan) until training is provided (preferably state-by-state) on the use of Transit Economic Requirements Model (TERM) for the State DOT and its subrecipients. AASHTO is suggesting a phased-in approach for facilities because State DOTs and their subrecipients may have little experience or training on using TERM. Additionally, subrecipients will need a significant amount of time to complete physical inspections of all their facilities. Currently, not all the subrecipients have the tools or technology for evaluating the performance of tracks, signals, and infrastructure. AASHTO recommends that targets for facilities should be set and included in the TAM plan one year after the training has been provided in the state or FTA region.

AASHTO recommends the following:

- Implement a phased-in approach to asset classes and individual assets required in the asset management plan (See Section 625.31 for more information).
- Initial target setting should be specifically defined as preliminary (See Section 625.29 for more information).
- Facilities should be phased-in to target setting and TAM plans after state-by-state training on TERM (See section 625.43 for more information).
- The TAM plan and targets should be valid for four to eight years, at the discretion of the provider or plan sponsor.
- The rules should define the MAP-21 required annual target setting as a revisiting of the prior year's target setting and making adjustments only if significant changes are needed. A full re-evaluation of targets should only be required every four to eight years.

5) RATIONALIZE THE APPROACH TO GROUP TAM PLAN TO PROVIDE STATES WITH MORE FLEXIBILITY

The current two tier definitions combined with the mandate on the states to prepare group plans needs to be rationalized to be consistent with long-standing federal, state and local roles and responsibilities. AASHTO recommends that FTA proposed tiers be maintained for defining the required plan elements. However, these tiers should not be used for determining which providers a state DOT will plan for as a group. For the group plan provisions under the rules, AASHTO recommends that state DOTs be mandated only to do a group TAM plan for its subrecipients under the Section 5311 and Section 5310 programs. These subrecipients are already subject to state oversight and their federal funds are already programmed by the state across the entire group. Therefore, planning for the Section 5311 and 5310 subrecipients—at the group level—is a natural fit.

However, planning for subrecipients of the Section 5307 or Section 5339 programs is not a natural fit. Therefore, the rules should be flexible by allowing each state DOT, in consultation with subrecipients, to decide if a group plan will be done for other “groups” of subrecipients in tier II. The relationship between the state DOT and its subrecipients under the Section 5307 or Section 5339 programs (specifically Section 5307 small urban providers) differs significantly from the Section 5311 and 5310 programs and varies considerably from state to state. The idea of a statewide group plan for these subrecipients may not make sense in most states for a number of reasons. First, small urban providers are within urbanized areas and as such their principal planning partners are their individual Metropolitan Planning agencies, not State DOTs. Second, most states do not program or in any way limit or influence how its small urban providers program their federal, state, and local dollars. Therefore, for the group plan concept to work, the rules would need to require these providers to concede to the state (the plans sponsor) to set priorities across the entire group. Under FTA’s proposed approach, if individual providers are allowed to maintain their very long standing and strongly held independence in programming their funds, there would be no benefit for a group plan.

In addition, by mandating the state DOT prepare a group plan for small urban providers, FTA is significantly increasing the role of the State DOT in planning and subsequent oversight of this group of providers. AASHTO is strongly opposed to transferring any additional responsibilities for this group of providers from FTA to the states.

AASHTO understands that part of FTA’s rationale for its tier definitions is to bring the State DOT’s technical support to this entire group of subrecipients. By limiting its group plan mandate on the states to only Section 5311 and 5310 subrecipients, states are not prevented from providing technical support to its Section 5307 and 5339 subrecipients for their individual plans. Also, by maintaining the provision that allows plans for all tier II providers to limit their plans to elements #1 through #4, FTA has made the TAM planning process more manageable for individual small urban providers.

Separate Group TAM plans should be allowed for Section 5311 and/or Section 5310 subrecipients. This approach allows the group TAM to focus exclusively on rural and specialized services and helps to preserve the existing relationship between these providers and the State DOT. Additionally, it permits TAM requirements to be better linked to the size and sophistication of a provider’s operations. However, states that are a transit provider and sponsors of a group plan should be allowed to prepare a single TAM plan inclusive of the Statewide system, which may include all the assets of direct recipients, subrecipients, and transit providers if that makes sense for their state.

For subrecipients other than those that are solely Section 5311 or Section 5310 subrecipients, it should be a mutual decision between the sponsor and the eligible providers in the group if a group TAM plan will be done. Currently, FTA places the decision entirely within the hands of each member of the group to opt in or out, but gives the plan sponsor no decision-making authority. Also once the mutual decision is made to do a single plan for a group of subrecipients, the sponsor, not the individual providers should determine if individual providers may “opt out” of the group plan.

When a single plan is done, the rules should make it clear the plan sponsor for a group plan will do target setting and investment prioritization across the entire group, i.e., for all members of the group as a whole. As a result, when it comes to programming FTA funds, the accountable executive for members of a group TAM plan may not have the same level of “control or direction over the human and capital resources” envisioned in the FTA definition of “accountable executive” and the definition should be amended accordingly. While AASHTO agrees with the rule requirement that the accountable executive for each provider in a group plan must submit the provider’s priorities to the plan sponsor, the rules should clarify that investment priorities will be in advisory in nature only because investment priorities will be set for the group as a whole. If a provider does not want to subject themselves to the sponsor setting priorities across the entire group the provider should have the option of opting out of the group plan.

It should be clear that a group plan is not be a collection of each individual subrecipient’s plan into a single document. Therefore, the group plan will not include provider by provider detail (i.e., for each provider an asset inventory, a condition assessment for each unit, funding sources, and investment priorities). By its very nature, a group TAM plan should provide asset inventories, condition assessments, and investment prioritizations across the entire group rather than provider by provider.

Just because the state DOT (as a group plan sponsor) coordinates a group plan, it does not mean that the state is responsible for implementation of the plan. Implementation remains the individual providers’ responsibility but the rules should acknowledge that the plan sponsor may make investment decisions for the group that will guide implementation at the individual provider level. AASHTO believes that the FTA should clearly establish the state’s roles and responsibilities in resolving conflicts that may arise between TAM plan sponsors and their subrecipients during implementation. Sponsors may struggle with subrecipient compliance to TAM plan implementation requirements, and the sponsors and the State both need clearly defined authorities to address these issues. The final rule should clearly establish the state’s roles and responsibilities in resolving conflicts that may arise between TAM plan sponsors and their subrecipients.

Currently, the NPRM does not provide guidance on the approval or certification of a TAM plan. The final rule should state how individual and group plans will be approved. Consistent with our comments here, AASHTO would expect the rules to require a group plan to be approved by the plan’s sponsor, in coordination with each member of the group. However, formal approval by each accountable executive who is in a group plan should not be mandated because the accountable executive for an individual member may not be fully supportive of the investment priorities made for the group as a whole. As stated in Principal Comment #9, the state should not be considered a transit provider nor be required to have an accountable executive solely as a result of sponsoring a group plan for its subrecipients.

AASHTO recommends the following:

- The mandate on States to prepare group TAM plans be limited to subrecipients of only Sections 5311 and 5310.
- Under AASHTO's recommended approach above or FTA's current proposed approach, AASHTO also recommends all of the following be provided for within the rules:
 - Separate Group TAM plans should be allowed for Section 5311 and/or Section 5310 subrecipients.
 - For subrecipients other than those that are solely Section 5311 or Section 5310 subrecipients, it should be a mutual decision between the sponsor and the eligible providers in the group if a group TAM plan will be done.
 - The rules should make it clear the plan sponsor for a group plan may establish targets and investment prioritization across the entire group (i.e., for all members of the group).
 - The rules clearly establish the state's roles and responsibilities in resolving conflicts that may arise between the TAM plan sponsor and their subrecipients during implementation.
 - It should be clear that a group plan is not be a collection of individual subrecipient plans into a single document rather it provides group level information.
 - Just because the state DOT (as a group plan sponsor) coordinates a group plan, it does not mean that the state is responsible for implementation of the plan.
 - Currently, the NPRM does not provide guidance on the approval or certification of a TAM plan. The final rule should state how individual and group plans will be approved.
 - As stated in principle #9, the state should not be considered a transit provider nor be required to have an accountable executive solely as a result of sponsoring a group plan for its subrecipients.

6) CHANGE THE APPROACH TO PROJECT PRIORITIZATION

Currently, states, subrecipients, and recipients are facing a time of increased budget constraints that dictate when and if they can repair or buy a new asset. Due to these financial constraints, many times, providers are managing the decline of assets. The proposed rule should include specific language stating that without additional financial resources, establishing an asset management plan may not in itself enable a provider or a group to reach a SGR. More importantly, a provider may need to set targets based on an anticipated decline in the SGR from year to year and therefore the following language should be included in the rule to acknowledge this: "An SGR performance target must be set on realistic expectations, which could mean that targets are set based on managing a decline in asset condition."

Section 625.33, "Investment prioritization," reaffirms that a TAM plan must include a prioritization investment and states that projects to maintain or improve a SGR are "to be ranked in order of priority and the year in which they are anticipated to be carried out" (Page 58947, column 2). The investment prioritization process raises concerns regarding state programming flexibility and the relationship of the TAM plan to other steps in the planning and project selection process. Investment prioritization should be focused on programs and not on specific projects. The final rule should confirm that the TAM plan prioritization provision does not supplant the Statewide Transportation Improvement Program (STIP) project selection process. Investment prioritization should be thought of as a tool for making business decisions aligned with the recipient's mission statement and goals.

AASHTO also believes that a provider or plan sponsor for a group plan should be allowed to address investment prioritization through broad asset classes rather than ranking of each individual project. Agencies may wish to list specific, significant, or capital intensive projects, but there should be no fixed requirement to go below the asset class level. By requiring below the asset class level, this rule would risk creating conflicts between TAM plans and Transportation Improvement Programs (TIPs) rather than consistency between them. However, if ranking of individual projects is required, AASHTO suggests that projects should be ranked categorically (in terms of high, medium, and low priority) rather than a sequential ranking (first, second, third, fourth, etc.).

Additionally, as discussed in more detail under Principal Comment #5, the final rule should make it clear that a plan sponsor of a group plan may establish investment prioritization for all members of the group as a whole.

AASHTO recommends the following:

- Change 625.33 (a) such that an asset management plan may show improving, maintaining, or declining conditions. AASHTO recommends changing the definition of SGR: “An SGR performance target must be set on realistic expectations, which could mean that targets are set based on managing a decline in asset condition.”
- Any ranking of projects under 625.33 (b) should be a categorical ranking (High, Medium, Low) and not a sequential ranking (First, Second, Third, Fourth etc.).
- The final rule should make it clear that a plan sponsor of a group plan will establish targets and investment prioritization for all members of the group as a whole.

7) ENSURE CONSISTENCY BETWEEN THE FTA AND FEDERAL HIGHWAY ADMINISTRATION (FHWA) TRANSPORTATION ASSET MANAGEMENT RULEMAKINGS

AASHTO believes that TAM can provide a strategic and systematic process of operating, maintaining, upgrading, and expanding physical assets effectively throughout their lifecycle. It promotes a focus on business and engineering practices for resource allocation and utilization with the objective of better decision making based upon quality information and well-defined objectives. An important product of the TAM process is a TAM plan which is an essential management tool which helps bring together related business processes and stakeholders, internal and external, to achieve a common understanding and commitment to improved condition of the transportation assets. Accordingly, independent of the requirements of MAP-21 and any Federal rule, many State DOTs have implemented an asset management program and developed TAM plans. Consistency between both the FTA and FHWA’s TAM rulemaking is necessary. Similar to FHWA’s plan, AASHTO believes that the FTA TAM plan should include a high level description of assets with a phased-in approach. A State DOT should be given the flexibility to choose a phased-in option for the development of its initial asset management plan and targets.

AASHTO recommends the following:

- That there is consistency between the FTA and FHWA TAM plans
- Provide States with the flexibility to choose a phased-in option for the development of its initial asset management plan and targets.

8) THE PROPOSED RULE SHOULD CLARIFY THE STATUS OF STATES AND STATE OFFICIALS AS NOT “PROVIDERS” OR “ACCOUNTABLE EXECUTIVE”

The final rule should provide clear definitions for “providers” and “accountable executive”. The final rule should state that a State is not a transit provider and that a State official is not an “accountable executive.” within the meaning of the proposed rule, by virtue of passing through funds to subrecipients or implementing FTA rules including target setting and investment prioritization for a group.

AASHTO recommends the following:

- FTA should amend the definition of “transit provider” by adding a sentence, such as: “A State is not considered to be a transit provider by virtue of passing on funds to subrecipients, administering the programs under 49 U.S.C 5310 and 5311, developing and implementing a TAM plan, or taking any other steps required of a State by this or other FTA rules.”
- Similarly, FTA should amend the definition of “accountable executive” by adding a sentence, such as: “An official of a State may not be considered to be an accountable executive unless the state is a transit provider and, if so, only with respect to the State’s activities as a transit provider.

SECTION- BY-SECTION COMMENTS

49 CFR PART 625 TRANSIT ASSET MANAGEMENT

SUBPART A—GENERAL PROVISIONS

625.1 PURPOSE

AASHTO has no comments.

625.3 APPLICABILITY

AASHTO strongly recommends that TAM plans for providers that only receive Section 5310 funds be required to include “FTA-funded” assets only.

The TAM plan requirements for Section 5310 subrecipients needs to be scaled back. Specifically, AASHTO strongly recommends that TAM plans for providers that only receive Section 5310 funds be required to include “FTA-funded” assets only. See Principal Comment #3 for detailed rationale for this recommendation.

AASHTO recommends that the TAM plan final rule specifically state that it does not apply to the Section 5311 (f) program.

Since Section 5311 (f) is not defined as public transportation, it is clear that the proposed rule does not apply to Section 5311 (f) and a TAM plan would not be required. As defined in 49 U.S.C. 5302 (21) “transit” is defined as “public transportation.” Then, at 5302(14)(B)(ii), the Code expressly provides that public transportation “does not include... intercity bus transportation”. There is a wide diversity for how State DOTs approach their Section 5311 (f) intercity bus programs. Therefore, each State should determine how to approach asset management for assets funded directly or indirectly with Section 5311 (f) funds. AASHTO recommends that the final rule specifically state that it does not apply to the Section 5311 (f) program.

While a State may opt to include intercity bus assets in a Section 5311 Group TAM plan it seems more likely that they will address asset condition or performance in service contracts with 5311 (f) subrecipients or contractors. If the final rule does not exempt the 5311 (f) program in its entirety the rules should make it clear that for the Section 5311 (f) program each State DOT may limit its TAM plan to just those assets deployed in their state and the State DOT has directly funded with Section 5311 (f) funds (i.e., capital grants not service contracts/operation grants). Given many states contract or grant Section 5311 (f) to private sector companies that operate nationally or regionally, it is critical that each State DOT not be required to focus on a private intercity bus carrier’s full range of assets, which would be considerably larger than that small portion of assets that serve that State’s Section 5311 (f) program.

AASHTO supports the ability of Native American tribes to develop their own TAM plans, even when they are (Tier II) subrecipients of the State under the Section 5311 Program.

Under the FTA’s proposal regardless of their tier, a Native American tribe may choose to participate in a State-sponsored group TAM plan, or develop its own TAM plan. AASHTO supports the ability of Native American tribes to develop their own TAM plans, even when they are (Tier II) subrecipients of the State under the Section 5311 Program. Providing for tribal independence in the TAM planning process will help prevent any sovereignty issues, avoid confusion, and give a clearer picture of the tribe’s status and needs. Therefore, in addition to the proposed language in 625.27, it should be clear in the rules that Native American tribes are not included in any mandate placed on State DOTs to develop a group TAM plan for Section 5311 subrecipients.

AASHTO recommends:

- The ability of Native American tribes to develop their own TAM plans, even when they are (Tier II) subrecipients of the State under the Section 5311 Program.
- The rules make it clear that it is a mutual decision between the tribe and the plan sponsor if a tribe will be include in a group TAM plan and should clearly state that if a tribe opts to be part of a group TAM plan, the tribe must to agree to setting targets and prioritizing investment across the entire group, which could result in the State DOT being involved in programming federal funds available to the tribe both as a subrecipient and direct recipient.

625.3 DEFINITIONS

AASHTO is concerned about the definition of Accountable Executive.

AASHTO concerns are twofold:

- We are concerned about the applicability of this term/concept to State DOTs when their only role is that of sponsors of a group plan.
- We are concerned about the definition for providers that are subrecipients of the state.

Applicability of the term to State DOTs

It is not clear if the rule envisions there being an accountable executive for a State DOT if the state is not also a transit provider. The definition of “accountable executive” uses the term public transit “agency” not “provider.” However, in the NPRM narrative FTA consistently states the “accountable executive” in terms of a provider, for example: Page 58924, column 1, “FTA proposes to include a definition for accountable executive that identifies the person as a transit provider that has the responsibility and authority to approve the TAM plan as well as the transit agency safety plan.”

AASHTO recommends:

- To clarify, FTA should amend the definition of “accountable executive” by adding a sentence such as: “An official of a State may not be considered to be an accountable executive unless the state is a transit provider and, if so, only with respect to the State’s activities as a transit provider.” (See Principal Comment #9, above).

- In addition, FTA should amend the definition of “transit provider” by adding a sentence such as: “A State is not considered to be a transit provider by virtue of passing on funds to subrecipients, administering the programs under 49 U.S.C 5310 and 5311, developing and implementing a TAM plan, or taking any other steps required of a State by this or other FTA rules.” (See Principal Comment #9, above).

Applicability of the definition to subrecipients of the State

As we noted under Principal Comment #5, AASHTO would like FTA to add language in the rules that acknowledges that the “accountable executive” for State DOT subrecipients who are in a group plan do not have the same full range of control as an “accountable executive” has for a provider in an individual plan. The definition proposed by FTA is only appropriate for those providers who are in an individual plan.

AASHTO recommends a definition for asset for the purpose of the rules.

AASHTO is concerned that FTA’s expectations regarding the depth and breadth of a TAM plan has not been made completely clear with the proposed rules and will become more clear (and potentially more burdensome) with the publication of final guidance, such as a circular. An effective and realistic definition of an asset would make it considerably clearer as to what the expectations are at this critical stage, before the rules are adopted.

As we noted under Principal Comment #3, AASHTO’s recommends:

- A proposed definition for an asset that meets all of the following and, therefore, must be included in a TAM Plan: a) FTA funded assets or assets that the provider considers likely to be maintained, replaced or repaired with FTA funds in the future; b) An initial cost of at least \$50,000 (as determined by the provider) and any rolling stock c) ULB of at least five years or greater.

In addition, AASHTO supports greater state flexibility throughout the rule. In order to increase flexibility, AASHTO requests that states and direct recipients be able to use their own definition of capital asset, if they have one. By allowing states and direct recipients to use either their own definition or FTA’s definition, it provides states with greater flexibility to create a TAM plan that is best for the state and direct recipients. Many states and transit providers may already use their own definition of capital asset.

AASHTO is concerned about the need to assess the condition of each capital asset unit.

AASHTO is concerned about the burden that assessing the condition of and making an investment plan for each capital asset unit will have on subrecipients since the unit or units in question might represent a very small portion of the total dollar value of the provider’s assets.

For these reasons, AASHTO recommends:

- A specific, targeted definition of asset as described above, AND
- A phased in approach, outlined in section 625.31- Implementation Deadlines.

AASHTO believes that assets owned by a contractor should not be included in the TAM plan.

AASHTO believes that asset management requirements should not apply to states, recipients, or subrecipients that do not build, manage, or operate transit assets. The provider should be allowed to determine how they will approach the issue of the condition of a contractor assets based on the nature of each individual contract. The rules should not mandate that contractors assets be included in the providers TAM Plans. Instead, each provider should be allowed to handle asset condition that is appropriate to the contract relationship, such as either a performance requirement in the contract or require the contractor's assets to be included in the providers TAM plans.

AASHTO recommends:

- A contractor's assets not be required to be included in a provider's TAM Plan.

AASHTO proposes these text changes in addition to the ones described above:

- This part applies to all recipients and subrecipients

AASHTO is seeking clarity on the following topics:

- Please provide examples of a non-state group TAM plan sponsor. Can a metropolitan planning organization (MPO) be a group TAM plan sponsor?
- In Appendix A, Is the asset category infrastructure only applicable to fixed guide way?

SUBPART B—NATIONAL TRANSIT ASSET MANAGEMENT SYSTEM

625.15 ELEMENTS OF THE NATIONAL TRANSIT ASSET MANAGEMENT SYSTEM

AASHTO recommends technical assistance tools be given in a timely manner.

Currently, there is no mandated timeframe for when FTA will provide technical assistance tools.

AASHTO recommends:

- TAM plans should be required no sooner than two years after FTA has issued a TAM plan manual and template.
- Facilities should not be required to be included in a TAM plan until FTA (i.e., FTA contractors) have done training in the state on use of TERM. (See Section 625.43 for more about TERM training).

625.17 STATE OF GOOD REPAIR PRINCIPLES

SGR status of an asset should not be affected by the condition of the other assets in the same category.

The proposed definition of SGR in the NPRM is “the condition in which an asset is able to operate at a full level of performance”. AASHTO recommends that the SGR status of an asset should not be affected by the condition of the other assets in the same category. Many times, one asset in rolling stock, such

as railcars, may not be able to operate at a full level of performance due to the deteriorating condition of another asset, such as the signaling system or track. Just because the railcars cannot run at full speed, does not mean that they (the railcars) are not in SGR. It is because of this that each asset class should be evaluated independently to determine its SGR status.

AASHTO recommends:

- The SGR status of an asset should not be affected by the condition of the other assets in the same category.

AASHTO is concerned about how Section 625.17 (c) affects the role of the accountable executive.

The NPRM states “(c) A transit provider’s accountable executive must balance transit asset management, safety, operation, and expansion needs in approving and carrying out transit asset management practices and a transit agency safety plan” (Page 58946, column 2). AASHTO is concerned about the role of the “accountable executive” for our subrecipients as we have laid out elsewhere in this letter. Section 625.3. Section 625.17 (c) underscores the importance of a State not being constructed as a “transit provider”. More specifically, the provision should refer to “consider” rather than “balance.” to help ensure, for example, that an executive does not have to put some funding into expansion in order to “balance” that factor. AASHTO recommends that in Section 625.17 (c) the listed factors should be “considered.” rather than “balanced.”

AASHTO proposes these text changes in addition to the ones described above:

- “(c) A transit provider’s accountable executive must ~~balance~~ consider transit asset management, safety, operation, and expansion needs in approving and carrying out transit asset management practices and a transit agency safety plan.”

SUBPART C—TRANSIT ASSET MANAGEMENT PLANS

625.25 TRANSIT ASSET MANAGEMENT PLAN REQUIREMENTS.

AASHTO recommends that state DOTs be mandated only to do a group TAM plan for its subrecipients under the Section 5311 and Section 5310 programs.

As we have laid out in detail under Principle #5, AASHTO believes the current two tier definitions combined with the mandate on the states to prepare group plans needs to be rationalized to be consistent with long-standing federal, state and local roles and responsibilities.

AASHTO suggests allowing for condition assessments to be made at the class level.

It is important to remain consistent throughout the rule. Currently, targets are set at the class level.

AASHTO recommends:

- Condition assessments should be allowed to be completed at the class level.

AASHTO is seeking clarity on the following topics below:

- Please clarify the approval process for TAM plans, including the roles of the states and FTA in TAM plan review and approval, for both individual plans and group plans. As noted under Principal Comment #5, AASHTO would expect a group TAM plan to be approved by the sponsor with consultation with the group members but the sponsor will not be required to obtain the approval of each accountable executive for the providers in the group.
- For some states the agency or division responsible for overseeing the TAM plan may be different than the agency or division tasked with State Safety Oversight (SSO). FTA should explicitly state that for rail fixed guideway systems, the SSO agency also has a review and approval role.
- Please clarify what decision and support tools, as required by element 3, are appropriate and sufficient.
- On page 58925, column 3, states “under all circumstances, it is the responsibility of the relevant State or MPO to integrate the TAM plan (group or individual) into the statewide and metropolitan transportation planning process.” Please identify through an illustration or example when the MPO would have the responsibility for integrating group TAM plans and when it is a state responsibility.

625.27 GROUP PLANS FOR TRANSIT ASSET MANAGEMENT.

AASHTO believes the group plan should have group information, rather than provider-by-provider detail.

While the group plan lessens the burden on small transit providers, the burden is now placed on the sponsoring agency to fulfill the requirements for all. This will be especially burdensome given the incompatibilities between larger agencies and smaller agencies. Between the narrative portion of the NPRM and the proposed rules, the group plan seems to be described as a collection of individual subrecipient plans into a single document with provider by provider detail (i.e., for each provider an asset inventory, a condition assessment for each unit, funding sources, and investment priorities). A group plan should have group information, not provider information. By its very nature, a group TAM plan would provide asset inventories, condition assessments, and investment prioritizations across the entire group rather than provider by provider.

AASHTO recommends:

- See our comments under Principal Comment #5.

625.29 TRANSIT ASSET MANAGEMENT PLAN: HORIZON PERIOD, AMENDMENTS, AND UPDATES.

AASHTO believes that initial target setting should be preliminary.

As described in detail under Principal Comment #4, AASHTO believes that initial target setting should be preliminary.

AASHTO believes that TAM plans and targets should be valid for four to eight years.

AASHTO suggests reassessing the implementation timeframe and process to reduce the cost burden and staff time to prepare a TAM plan and targets. AASHTO suggests that the TAM plan be valid for four to

eight years to allow agencies to better align other plans, such as their capital plan. By allowing agencies to choose when to complete a TAM plan it will provide agencies with the flexibility to align various plans with the TAM plan. For example, agencies often have varying horizon periods for their capital plan, in which they plan major future capital investments that may impact their TAM plan. Aligning the TAM with other plans will help improve the strategic planning for the organization while reducing the cost burden and staff time to prepare varying plans.

As we noted above, AASHTO understands MAP-21 calls for targets to be set three months after the rule is issued and each fiscal year thereafter, but the rules should allow for the annual target setting to be limited to revisiting the prior year's target based on prior year investments and updating if significant changes are needed. The rules should only require a full re-evaluation of targets every four to eight years as determined by the provider (for an individual plan) or a sponsor (for a group plan). However, new target setting should be done more frequently if a TAM plan is amended prior to the established full re-evaluation deadline.

AASHTO recommends:

- TAM plan be valid for four to eight years to allow agencies to better align other plans, such as their capital plan.

AASHTO is seeking clarity on the following topics below:

- According to page 58927, column 2, "transit providers should consider current and future climate and weather- related hazards as part of their prioritization of investment." If this is meant to reference an All-Hazards approach to assessing risk, an adequate reference should be cited. Currently, it is unclear what future hazards should be included and which should be excluded from consideration.

625.31 IMPLEMENTATION DEADLINE.

AASHTO recommends a phased- in approach to the assets that must be included in a TAM plan.

The NRPM states that an initial TAM plan must be completed no later than two years after the effective date. AASHTO recommends the following phased- in approach, as long as the scope of the TAM plan is amended as commented elsewhere in the letter:

AASHTO recommends:

- A phased-in approach such as:
 - Initial TAM plan (in two years) may include revenue vehicles only
 - Initial TAM plan amended to include facilities one year after FTA has come to the state to train the state and its subrecipients on TERM
 - Initial TAM plans amended to include all other required assets in four years

625.33 INVESTMENT PRIORITIZATION.

AASHTO believes that FTA’s narrative should be more realistic.

Currently, states, subrecipients, and recipients are facing a time of increased budget constraints that dictate when and if they can repair or buy a new asset. Due to these financial constraints, many times, providers are managing the decline of assets. As described in detail under Principal Comment #6, AASHTO recommends following language be included in the rule to acknowledge this: “An SGR performance target must be set on realistic expectations, which could mean that targets are set based on managing a decline in asset condition.”

The rules should specify that, by identifying an opportunity to improve safety, a State has not indicated an unsafe condition.

Under 625.33, Investment prioritization, FTA proposes that the TAM plan include an investment prioritization that identifies projects to improve or maintain the state of good repair of capital assets over the horizon period of the TAM plan and that “(d) The investment prioritization must give due consideration to those projects for state of good repair that pose an identified unacceptable safety risk.” AASHTO agrees with the direction of these provisions of the rule but believe it is critical than in implementing these requirements that State DOTs and providers not be placed in the position of reporting to FTA, or having to create records that there are assets (unless put aside from operation or use for repair or disposal) with an “identified unacceptable safety risk.” What is important is that consideration be given to safety, not to a more narrow focus of whether or not a particular circumstance should or should not be labeled as “unacceptable”. Accordingly, AASHTO recommends removing “identified unacceptable” from the proposed language. Instead, the final rule should note that TAM Plans must give due consideration to those projects that address safety risks.

AASHTO recommends:

- Striking the phrase “identified unacceptable”. Section 625.33(d) says that the investment prioritization “must give due consideration to those projects for state of good repair that address safety risk.”

AASHTO suggests ranking projects in terms of high, medium and low priority.

Section 625.33, “Investment prioritization.” reaffirms that a TAM plan must include a prioritization investment and projects to maintain or improve a SGR are “to be ranked in order of priority and the year in which they are anticipated to be carried out” (Page 58947, column 2). As laid out under Principal Comment #6, final rule should confirm that the TAM plan prioritization provision does not supplant the STIP project selection process. In addition as discussed under Principal Comment #6, AASHTO believes that a provider or plan sponsor for a group plan should be allowed to address investment prioritization through broad asset classes rather than ranking of each individual project. However, if ranking of individual projects is required, AASHTO suggests that projects should be ranked categorically (in terms of high, medium, and low priority) rather than a sequential ranking (first, second, third, fourth, etc.).

AASHTO recommends:

- Projects should be ranked in terms of high, medium and low priority.

AASHTO proposes these text changes in addition to the ones described above:

- “(a) such that an asset management plan may show improving, maintaining, or declining conditions.”
- “(d) The investment prioritization must give due consideration to those projects for state of good repair that pose an identified unacceptable safety risk.”

SUBPART D—PERFORMANCE MANAGEMENT

625.41 STANDARDS FOR MEASURING THE CONDITION OF CAPITAL ASSETS.

AASHTO supports the SGR performance measure language, however, for a specific asset a provider or plan sponsor should not have to identify an unacceptable risk.

Under Section 625.41, the FTA proposes standards for measuring whether capital assets are in a state of good repair and they include: “the use of the asset in its current condition does not pose a known unacceptable safety risk”. AASHTO can support this language as a measure for SGR, but as noted in our comments under Section 625.33 FTA needs to take care that in implementing its TAM plan obligations, a provider or plan sponsor is not required to maintain records and report to the FTA that a specific asset has “identified unacceptable risk”.

625.43 PERFORMANCE MEASURES FOR CAPITAL ASSETS.

AASHTO recommends that facilities should be phased into TAM plans after state-by-state training on TERM.

AASHTO recommends that the rule require FTA to provide training in each FTA region (preferably state by state) on use of TERM for the state DOT and its subrecipients. State DOTs and their subrecipients may have little experience or training using TERM. Subrecipients will need a significant amount of time to complete physical inspections on all their facilities. In addition, not all the subrecipients will have the tools or technology in place for evaluating the performance of tracks, signals, and infrastructure. Also as stated under Section 625.31, the rule should require that facilities be included in a TAM plan a year after the training has been provided in the region.

AASHTO recommends:

- The rule should require that facilities be included in a TAM plan a year after the training has been provided in the region.

AASHTO has concerns regarding the Useful Life Benchmark.

AASHTO wonders how different the default ULB will be from minimum useful life. Also, FTA says they only “anticipate” generating a default ULB but they are not required to do so within a specific time frame. FTA should cite where and when this default ULB will be published and provide an explanation of how the ULB measurement will be calculated. Targets, including those required three months after the rules are final, will not be meaningful until a default ULB is issued by FTA.

625.45 SETTING PERFORMANCE TARGETS FOR CAPITAL ASSETS.

AASHTO believes that the target setting should be phased- in.

See Section 625.29 and 625.31 for information on target setting and a phased in approach.

AASHTO proposes these text changes in addition to the ones described above:

- An SGR performance target must be set on realistic expectations, which could mean that targets are set based on managing a decline in asset condition.

AASHTO is seeking clarity on the following topics below:

- Please clarify what FTA considers to be “realistic expectations” for performance goals.

SUBPART E— RECORDKEEPING AND REPORTING REQUIREMENTS FOR TRANSIT ASSET MANAGEMENT

625.53 RECORDKEEPING FOR TRANSIT ASSET MANAGEMENT

AASHTO has no comments.

625.55 ANNUAL REPORTING FOR TRANSIT ASSET MANAGEMENT

AASHTO has no comments.

APPENDIX A TO PART 625- EXAMPLES OF ASSET CATEGORIES, ASSET CLASSES AND INDIVIDUAL ASSETS

AASHTO recommends:

- Either Appendix A be removed from the final rule, or that the content included in Appendix A be replaced with asset categories and asset classes required for reporting to the National Transit Database (NTD). This would clear up whether something is required to be reposted on, or just an example. AASHTO strongly advocates for syncing up what is required for NTD reporting and target setting with what is required for the TAM plan reporting and targeting setting. These two should be the same, but currently, the NPRM does not look like the two are the same. The amount of

reporting and target setting requirements should be kept to a minimum and only what is required for the NTD.

- AASHTO recommends removing “Administration” assets from Appendix A

Asset Categories and Asset Classes may be defined within the NTD, however the individual assets should be up to the State DOT and the transit providers to define/include.

49 CFR PART 630 NATIONAL TRANSIT DATABASE

630.3 DEFINITIONS

AASHTO proposes the following text changes:

- “*Applicant* means an entity seeking Federal financial assistance ~~applicant for assistance~~ under 49 U.S.C. chapter 53 5307 or 5311.”
- “*Reporting entity* means “an entity required to provide reports as set forth in the reference documents ~~a transit agency, a State Department of Transportation that is a recipient of grants under 49 U.S.C. 5311, or a Federally-recognized Indian Tribe that is a direct recipient of grants under 49 U.S.C. 5311.~~”

630.4 REQUIREMENTS

AASHTO proposes the following text changes:

- “(a) National Transit Database Reporting System. Each applicant for and beneficiary of Federal financial assistance under 49 U.S.C. chapter 53 must comply with the applicable requirements of 49 U.S.C. 5335, as set forth in the reference document. ~~5307 or 5311 must comply with the applicable requirements of 49 U.S.C. 5335, as set forth in the reference documents. State Departments of Transportation shall provide reports on behalf of their subrecipients of grants under 49 U.S.C. 5311 as specified in the reference documents. Transit agencies that are beneficiaries of grants under both 49 U.S.C. 5307 and 5311 must file an individual report as an urbanized area transit agency. Federally-recognized Indian Tribes that are direct beneficiaries of grants under 49 U.S.C. 5311 must file an individual report. State Departments of Transportation should not report on behalf of transit agencies that have filed individual reports as urbanized area transit agencies nor on behalf of Indian Tribes that are required to file an individual report”~~”

630.5 FAILURE TO REPORT DATA

AASHTO proposes the following text changes:

- “Accountable executive means a single, identifiable person who has ultimate responsibility for carrying out the safety management system of a public transportation agency; responsibility for carrying out transit asset management practices; and control or direction over the human and capital resources needed to develop and maintain both the agency’s public transportation agency safety plan, in accordance with 49 U.S.C. 5329(d), and the agency’s transit asset management plan in accordance with 49 U.S.C. 5326. An official of a State may not be considered to be an accountable

executive unless the state is a transit provider and, if so, only with respect to the State's activities as a transit provider."

- "Transit provider means a recipient or subrecipient who owns, operates, or manages capital assets used in the provision of public transportation. A State is not considered to be a transit provider by virtue of passing on funds to subrecipients, administering the programs under 49 U.S.C 5310 and 5311, developing and implementing a TAM plan, or taking any other steps required of a State by this or other FTA rules."
- "Failure to report data in accordance with this part ~~may will~~ result in the noncompliant reporting entity being ineligible to receive any funding under 49 U.S.C. chapter 53, Section 5307 or 5311 grants directly or indirectly, until such time as a report is filed in accordance with this part."

AASHTO RESPONSE TO FTA REQUESTS

1. FTA is seeking comment on its assumptions regarding the quantifiable costs and benefits in the Summary of Costs and Benefits.

Cost assumptions in the NPRM are based on incremental costs to an agency's force account, i.e., there is an assumption that agencies will be able to implement TAM requirements "in-house". However, when recipients and subrecipients confront the challenge of developing the proposed 9-part transit asset management plan and program, which must be endorsed at the top levels of the agency, agencies will not be able to absorb this burden internally and will feel compelled to hire consultants to meet TAM requirements, diverting funds from other agency needs. However, even with an understanding that the costs may have been underestimated in the NPRM, the assumed costs are not insignificant. The NPRM cites an example of a small transit agency with a 6 vehicle fleet profile that would face a \$20,800 start-up cost to begin implementing TAM over a two-year period. This agency could replace engines, transmissions and repair AC units in a rebuild or overhaul effort on a third of its fleet for this amount of money.

The burden to the states is not fully realized. The costs relate to performance target-setting and coordination among states, MPOs and transit agencies and the additional NTD reporting requirements, involving reporting on TAM for subrecipients already included in NTD and the addition agencies who receive 5310 funds would be required to be reported in NTD to track their TAM efforts.

The following costs should also be taken into account:

- Developing the plan (writing it), collecting the data (the time needed to digitize the data; from manual inspection sheets to TAM software), risk assessment, and analyzing data.
- Agencies will need to develop a training program for this project
- Costs related to subrecipient coordination efforts are not clearly quantified
- Time to develop additional inspection criteria
- On-going plan review, updating, and reporting

FTA assumes all of the transit agencies, large or small, have basic asset management software in place that will help them with SGR calculation and inventory management efforts. This may not be the case at this time. The final rule should take this into consideration and provide additional time to procure software, if necessary.

2. FTA seeks comments on its assumptions associated with the non-quantifiable costs and benefits in the Summary of Costs and Benefits.

One non-quantifiable cost will be the time dedicated to this project collectively by the agency. Many managers will need to attend asset management meetings as part of the coordination efforts throughout the year. Mechanics will need to be trained, which will improve efficiency for the agency, but will affect operating expenses.

- 3. FTA requests comment on the non-statutory criteria listed in 625.25(b), including whether these are appropriate for tier I providers, whether other criteria should be included, and whether these (or other criteria) should be extended to tier II providers.**

AASHTO supports that Tier II (or subgroups of Tier II) be allowed to stop with element #4. As noted, if Section 5310 subrecipients are required to have TAM plans, AASHTO suggests as a possible alternative approach to limit them to elements #1 and #2.

- 4. FTA requests comment on the proposed group TAM plan requirements required under 625.27.**

AASHTO is opposed to a mandate on the state to do a group plan for all its Tier II providers. This NPRM is significantly increasing the role of the State DOT in planning and subsequent oversight of a group of agencies that have traditionally been FTA direct recipients. AASHTO is strongly opposed to transferring these responsibilities from FTA to the states. In addition, FTA is placing their so-called "Tier II" agencies in a difficult situation. Many of these agencies receive oversight from FTA and are within urban areas and their principle planning partners are MPOs, not State DOTs. This forced relationship between urban "Tier II" providers and state DOTs will result in conflict and inefficiency. AASHTO has recommended an alternative approach to the proposed tiers which was laid out earlier in this letter.

- 5. FTA requests comment on the proposed deadlines listed in 625.31.**

AASHTO recommends a phased- in approach to the assets that must be included in a TAM plan. AASHTO recommends the following phased- in approach:

- Initial TAM Plan (in two years) may only include revenue
- The initial TAM plan should be amended to include facilities one year after FTA has come to the state to train the state and its subrecipients on TERM
- The initial TAM plan should be amended to include all other required assets in four years

- 6. FTA requests comment on any information that could assist in quantifying the costs, benefits, and transfers associated with this rulemaking.**

AASHTO has no comments.

- 7. FTA seeks comment on the accuracy of the assumptions used and suggestions for other potential sources of relevant data related to the Definition and Evaluation of the Benefits and Costs of this rule.**

AASHTO has no comments.

- 8. Related to the Asset Condition Assessment, FTA seeks comments on these assumptions along with information on the size of agencies' equipment stocks and potential costs of inventories and condition assessments.**

AASHTO has no comments.

- 9. Related to the State and MPO Target Setting, FTA believes that the cost to MPOs and States to set transit performance targets is included within the costs of coordination. FTA requests comment on this point. Will there be any additional costs for states and MPOs in target setting beyond the coordination costs included in the planning rule? If so, what would those costs be?**

The NPRM says the cost to states and MPOs would be included in the costs of coordination. This would involve coordination among state DOTs, transit agencies and MPOs already engaged in highway and transit planning, including efforts to engage human service stakeholders in the development of local & regional public transportation planning. We offer no information regarding the estimated costs associated with target-setting and coordination. Because states and MPOs have competing priorities within their respective planning programs, and in most cases have long and established planning horizons, it is unlikely the proposed requirement for States and MPOs to include TAM in TIPs and STIPs can be implemented within the proposed timeline.

- 10. Related to Other Costs, FTA requests comment on the costs associated with additional TAM projects that have been completed or which are currently underway.**

AASHTO has no comments.